



Daily Report

China

FBIS-CHI-90-093
Monday
14 May 1990

Daily Report

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FBIS-CHI-90-093

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NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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General

Spokeswoman Discusses Sihanouk Retirement

OW1105135290 Beijing in Russian to the USSR
1900 GMT 10 May 90

[Text] Li Jinhua, spokeswoman of the PRC Ministry of Foreign Affairs, noted at a press briefing on 10 May that Qian Qichen, PRC minister of foreign affairs, met with Dinh Nho Liem, Vietnamese first deputy minister of foreign affairs, on 8 May. Dinh Nho Liem visited Beijing to inspect work of the Vietnamese Embassy in China. During the visit, Tian Zengpei, PRC vice minister of foreign affairs, met with Dinh Nho Liem and hosted a banquet in his honor. Dinh Nho Liem exchanged opinions with Xu Dunxin, assistant to the PRC minister of foreign affairs, on the question of an all-round political settlement of the Cambodian question.

This unofficial exchange of views was useful and promoted mutual understanding. Unanimity of views was achieved on certain issues. But differences still remain on some major issues. Both sides will continue further consultations.

Responding to a VIETNAM NEWS AGENCY correspondent's question, Li Jinhua noted that the main obstacle to normalizing Chinese-Vietnamese relations is the Cambodian problem. Chinese-Vietnamese relations can be improved only when this problem is resolved in a fair and reasonable way.

Replying to a correspondent's question on how China views the announcement by Samdech Norodom Sihanouk that he will retire for an undetermined time and that he will no longer be leader of the Cambodian resistance forces nor president of Cambodia, the spokeswoman said: We always respect Samdech Norodom Sihanouk's wishes.

Reportage Covers U.S., Philippines Base Talks

Discussions To Be Held Soon

OW1105114990 Beijing XINHUA in English
0939 GMT 11 May 90

["Analysis: Coming Philippines-U.S. Talks To Explore New U.S. Bases Agreement (by Zhai Shuyao)"]—XINHUA headline]

[Text] Manila, May 11 (XINHUA)—The coming "exploratory talks" on the fate of the American military bases in the Philippines are widely considered here to be essentially aimed at reaching a mutually acceptable new treaty to maintain these bases.

The talks are officially expected to "explore" whether a new bases treaty should be formally negotiated in the coming months. But news analysts here said the panels of the two nations which will start their discussions on May 14 have nothing to explore but the possibility of a new

treaty to replace the current military bases agreement signed in 1947 and amended in 1966, that would expire by September 16, 1991.

A new bases treaty has become imperative since the 1987 Philippine Constitution says that foreign military bases would be allowed beyond 1991, only if a new treaty is approved and ratified by the Senate. Without a new bases treaty, Washington has no choice but to dismantle its six bases in the country after 1991.

U.S. President Bush has appointed a special negotiator instead of the U.S. ambassador to the Philippines to head the negotiating panel. He is Richard Armitage, an "old hand" at negotiations and former assistant secretary of defense, who will be accompanied by a group of Washington experts on military bases and on Philippine affairs. On the other side, Philippine President Aquino has dispatched a strong lineup headed by Foreign Secretary Raul Manglapus, with Health Secretary Alfredo Bengzon as vice-chairman.

As a curtain-raiser, both sides have posed a stiff stance and are already locked in a fierce wrangling on some base-related differences between them. A point at issue is the U.S. failure to fulfill its obligation to pay compensation for the use of the bases under the memorandum of agreement covering the last two years of the bases, signed by Manglapus and then U.S. State Secretary George Shultz in 1988.

Under the accord, the U.S. has pledged to release the sum of 962 million U.S. dollars for the next two years until the expiration of the bases agreement in 1991, or 481 million U.S. dollars for each year. Using its budgetary problem as an excuse, the U.S. Government had admitted a shortfall of 96 million U.S. dollars out of its financial obligation. But the Philippine side claimed that based on its computation, the U.S. still has an outstanding obligation of 222.58 million U.S. dollars, rather than 96 million as announced by Washington. The Philippine Government has lodged two verbal notes in protest of the U.S. failure to make good its promises.

In return, the U.S. side responded with its own note, accusing the Philippines of not keeping its words of providing security for American personnel in the bases.

This prolonged exchange of recriminations and accusing notes once even strained bilateral relations between them. U.S. shortfall of its financial commitment has aroused public indignation among Philippine figures both in the ruling parties and in the opposition. Anti-base mass demonstrations have taken place one after another.

It is noted, however, that Philippine officials have been very guarded in their speeches with regard to the impact of the debate on the coming bases talks. In fact, the Philippine Government has made very meticulous and satisfactory arrangements for the start of the bases talks.

The venue will be the fortress-like central bank complex well chosen to guard against anti-bases mass demonstrations.

Political observers here were of the view that all these signs indicate a foregone conclusion that the U.S. military bases here will be retained after 1991 through the coming talks, although there might be acute conflicts of interests and heated bargaining in the discussions. The tense atmosphere created by the two sides on the eve of the impending talks and their vociferous toughness are all designed to get a most advantageous position of haggling in the negotiations.

The Philippines hosts Clark Air Base in Angeles City, 80 km north of Manila, and Subic Naval Base, 130 km northwest of here. The two are reputedly the biggest U.S. overseas military bases. They extend the reach of the U.S. Forces across the Pacific and into the Indian Ocean, and thus serve its "global strategy" well.

So the United States has always tried its best to retain the bases for the projection of its forces in the region to defend sea lanes west to the oil-rich Gulf and east to the continental United States, even at a time of easing tensions between the two superpowers.

In his most recent testimony before a House committee, U.S. Defense Undersecretary Paul Wolfowitz outlined the Pentagon's 10-year strategy of maintaining a U.S. presence in Asia and declared without mincing words, "We must maintain a credible presence in this region if we are to remain a world power..."

Political observers here believed that America's unusual act of cutting its compensation to the Philippines for the use of the military bases and its deliberate publicizing of its "budgetary problems" are nothing but its "organized strategy" to force down the prices for a new bases treaty in anticipation of the Philippines' demands for increased compensation.

On the part of the Philippines, President Corazon Aquino has always adopted the position of "keeping my options open" until 1991 on the fate of the U.S. bases in the country. But now, the mere act of agreeing to talk with the U.S. is evidence enough that the president and her government have decided to explore the possibility of negotiating a new treaty.

President Aquino must have a pretty good idea of the tremendous influence of the U.S. in the country and the impact of the American bases on its political situation.

At the critical juncture of the last December bloody coup, the Philippine president called in U.S. F-4 jet fighters to fly intimidation flights over Manila to help solve the most serious political crisis she had ever met. Owing such deep and profound gratitude to the United States, the president would find it hard to reject its demand to extend the stay of the bases here.

Evidently, President Aquino has made up her mind to allow the U.S. bases to retain in the country and maintain the existing relations with the U.S. She intends to win its continued support for her government for the remaining two years of her presidency.

But the Philippine Government will certainly press in the talks for the fulfilment of the U.S. financial obligations under the present bases agreement, and try and get the best possible terms of a future treaty, particularly a higher compensation package, if only to conform to the high nationalist sentiments of the Filipinos and to uphold the national dignity of the country.

It is predicted that after a burst of hubbub and a round of hard bargaining, the Manila-Washington exploratory talks would finally lead to a decision to reach some agreement to retain the U.S. military bases in the country in the garb of either "gradual phase out", or "joint use" or some other formulas.

Nuclear Weapons Reported on Bases

*HK1405052390 Beijing International Service
in Tagalog 1130 GMT 13 May 90*

[Text] A Manila newspaper, the DAILY GLOBE, yesterday quoted a Filipino scientist's claim that the United States stockpiles nuclear weapons in its military bases in the Philippines. The scientist says former President Ronald Reagan authorized the American armed forces in 1985 to store 227 nuclear bombs in the Philippine military bases. He also says that 75 percent of the U.S. Seventh Fleet's vessels operating in the region carry nuclear weapons, hence ship dockings and departures mean entry into and exit from the country of these weapons.

Japan Admits Soviet Threat Receding

*OW1105122590 Beijing XINHUA in English
1035 GMT 11 May 90*

[Text] Tokyo, May 11 (XINHUA)—Japanese Foreign Minister Taro Nakayama officially acknowledged here today for the first time that the Soviet military threat in the Asia-Pacific region is receding.

Speaking at the House of Councillors Budget Committee, the Japanese foreign minister, however, also said that Japan and the United States share the view that the Soviet military presence in the region still remains a big threat.

The Japanese Government has insisted that Japan maintain its current defense policies despite the eased tension in the East-West relations.

Nakayama noted that the Asia-Pacific region needs to have an institution similar to the Conference on Security and Cooperation in Europe as a forum for those in charge of foreign affairs to discuss promotion of regional peace.

Li Tieying Meets Science, Technology Experts

OW1205080990 Beijing XINHUA in English
0641 GMT 12 May 90

[Text] Beijing, May 12 (XINHUA)—Chinese State Councillor Li Tieying met with participants to the third Beijing international conference on science and technology policy here today.

Li had a conversation with the participants on ways to promote technical innovation and international cooperation in science and technology.

The conference, co-sponsored by China's State Science and Technology Commission and the UN Fund for Science and Technology for Development, was attended by delegates and experts from more than 20 countries and international organizations.

Foreign Tourist Agencies See Boom To Happen

OW1105195990 Beijing XINHUA in English
0200 GMT 11 May 90

[Text] Geneva, May 10 (XINHUA)—With the political situation becoming stable, tourism in China will increase dramatically in the near future, international tourist agencies said here today.

At the third European incentive and business travel and meeting exhibition, which closed today, more than 790 tourist agencies from 71 countries and regions discussed international tourism.

The Chinese group, which participated in this exhibition for the first time, provided detailed information on China's current tourism.

Foreign tourist agencies held China as a major international tourist market because of its long history and rich tourist resources.

Meanwhile, more than 10 tourist organizations from the United States, France, Switzerland, Spain, Italy and Egypt met the Chinese group at the exhibition to discuss the possibility of holding international conferences in China, or organizing tourist groups to travel throughout the country.

WHO Official Announces Global Strategy Support

OW1105184590 Beijing XINHUA in English
0035 GMT 11 May 90

[Text] Geneva, May 10 (XINHUA)—China's Deputy Representative at the 43rd Assembly of the World Health Organization (WHO) Xu Zhiguang said today here that the Chinese Government backed up the global strategic target set by WHO.

Xu pointed out that China will step up its health research to accelerate the process of the global strategic target, which is that "everyone enjoys health care by the year 2000."

The 43rd Assembly, which opened on the 7th of this month, is attended by representatives from 167 WHO member countries and scheduled to close on the 18th of this month.

World Telecommunications Expo Held in Beijing

OW1105125590 Beijing XINHUA in English
1142 GMT 11 May 90

[Text] Beijing, May 11 (XINHUA)—An international exposition on telecommunications equipment and technology will be held from June 4 to 9 this year at the Beijing Exhibition Center, the Ministry of Posts and Telecommunications announced here today.

A total of 60 leading manufacturers from 14 countries and regions, including the United States, Britain, France, Federal Germany, Italy, Japan, Sweden, Switzerland, Australia, Denmark, Poland, Bulgaria, China and Hong Kong are expected to show up at the fair.

Products of the world's latest telecom technology, such as telecommunications satellites, mobile telephones, program-controlled telephone exchanges and optical fiber devices will be displayed on a floor space of 2,000 sq m.

China hopes to promote the development of its telecom technology through this exposition and further international co-operation, according to the sponsors—the China Posts and Telecommunications Equipment Corporation under the Ministry of Posts and Telecommunications and the Modern China Company Ltd of Hong Kong.

Sino-Canadian-Japanese Aluminum Venture Begins

OW1205080390 Beijing XINHUA in English
1422 GMT 11 May 90

[Text] Shenzhen, May 11 (XINHUA)—The Non-Ferrous Metals International (China, Canada, Japan) Aluminum Company Ltd, based in this special economic zone in south China's Guangdong Province, went into all-round production today.

The company cost 23.2 million U.S. dollars to set up, provided jointly by four Chinese aluminum corporations and factories, Alcan of Canada and Nikkei of Japan.

The company is equipped with advanced facilities and technology imported from Canada, the United States, Japan, France, Britain, Federal Germany and other developed countries. Its trial products have been selling well in the world market.

As the first big Sino-foreign joint venture concerned with non-ferrous metals in China, the company will produce annually 13,000 tons of aluminum bars, 5,000 tons of rolled aluminum, 1,000 sets of extrusion molds, 4,000 tons of stained rolled aluminum and 170,000 sq m of aluminum doors, windows and wall screens.

Team With USSR, U.S. Climbs Mt. Everest

OW1005213990 Beijing XINHUA in English
1216 GMT 10 May 90

[Text] Qomolangma Base Camp, Tibet, May 10 (XINHUA)—Four climbers from the Soviet Union and one each from China and the United States reached the 8,848-meter summit of Mount Qomolangma here today.

The four Soviet summiteers are Tokarev Alexandr, Moshnikov Anatoliy, Lipzj Erwand and Ivanova Ekaterina, a woman.

The other two are Wang Jia of China and Mark Scott Tucker of the United States.

Ekaterina became the first woman climber from the Soviet Union and the tenth in the world to conquer the world's highest peak.

Wang Jia reached the summit at 10:25 (Beijing time), followed by other five climbers.

It was the fourth and the last group of the Sino-Soviet-American expedition which succeeded in conquering the summit.

A total of 20 climbers of the expedition—eight Soviets, seven Chinese and five Americans—have reached the peak.

United States & Canada

Changing U.S. Defense Strategy Discussed

HK1205091490 Beijing RENMIN RIBAO in Chinese
11 May 90 p 4

["Roundup" by Zhang Yunwen (1728 0336 2429): "Readjustment of U.S. Defense Strategy in Europe"]

[Text] President Bush announced that through negotiations with U.S. allies, it had been decided that the project of renovating "Lance," the short-range nuclear guided missile, would be halted; at the same time, updated nuclear artillery shells would no longer be deployed in Europe. This was stated at a news conference in Washington on 3 May. President Bush stated that the United States plans to begin talks with the USSR on short-range nuclear weapons in Europe immediately after initialling an agreement on cuts in conventional forces at the Vienna talks this fall. The United States has relaxed on this point. NATO's original position was that such talks would begin only on the condition that the USSR begins its implementation of the negotiations on regular forces. At the same time, U.S. Secretary of State Baker relayed the aforesaid U.S. proposal to the allies at the special meeting of NATO foreign ministers in Brussels. It is believed that the U.S. decision is a readjustment of its defense strategy in Europe; public opinion called it "the most important change in the Atlantic Alliance since France withdrew from the unified NATO defense organization in 1966."

The USSR has expressed that it welcomes this. Soviet Foreign Minister Shevardnadze believed that the decision was "a good one," and "has inspired" the USSR. The foreign ministers at the NATO meeting in Brussels expressed their unanimous approval for this U.S. proposal. The British and French leaders who were meeting each other also expressed their support for the U.S. proposal. West German Foreign Minister Genscher believed that the proposal was "promoting the progress of German reunification."

It has been expected that the United States would give up the project of renovating most of the outmoded "Lance" missiles and nuclear artillery deployed inside West Germany; but it was quite unexpected that the decision had been made so fast. Obviously that was closely connected with the development of the European situation.

Since the U.S.-USSR treaty on intermediate-range guided missiles was initialled in 1987, the fate of short-range nuclear weapons with a range under 500 km that are deployed in Europe has been conspicuous. With both sides removing medium-range guided missiles, the United States considered renovating its approximately 1,400 nuclear artillery shells with a range of about 20 km, and approximately 700 "Lance" missiles with a range of about 100 km chiefly deployed in West Germany. However, West Germany's opposition led to long-term controversies inside NATO. In the wake of heated debate at the 1989 NATO summit meeting, a compromise was reached on postponing the project of updating short-range guided missiles until the cuts in conventional forces became effective and were implemented before talks with the USSR on short-range guided missiles began.

NATO deployed land-based short-range missiles in Western Europe to counter the superiority of Soviet conventional forces. However, with the sharp change in the situation in Eastern Europe and withdrawal of Soviet forces from there, the military confrontation between the East and West blocs is not as acute as it was before, and the importance of these short-range nuclear missiles has declined. Therefore, it is necessary to reconsider the plan for updating the missiles. The readjustment of this strategic defense has been under discussion for some time. The increased pace of German reunification and pressure from the U.S. Congress and its allied countries compelled the U.S. Government to step up its effort in this respect.

Observers believe that apart from responding to the current changing situation in Europe, the U.S. strategic readjustment represents a gesture to reassure the Soviet Union in the hope that the latter will continue making concessions on disarmament in Europe.

For the United States itself, giving up the plan to update short-range nuclear missiles serves to pacify those who advocate cutting troops stationed in Europe. Although the work of developing new short-range missiles has been

accomplished, the U.S. Congress has made it clear that it would not approve the funds needed for updating the missiles.

The plan for updating the short-range missiles has encountered strong political resistance in West Germany. Under the new situation of speeding up the reunification process in Germany, it is more difficult for West Germany to accept the deployment of new-type short-range missiles on its land, because "the shorter the range, the more fatal to Germany." Furthermore, storing nuclear warheads is a money-consuming and dangerous matter. At present, updating the short-range missiles deployed in West Germany is undoubtedly a stumbling block to German reunification.

The present problem is whether the readjustment of the defense strategy of NATO in Europe can lead to the success of the "third zero point proposal,"—namely, the denuclearization of Germany. Bush has clearly pointed out that the United States intends to maintain a combined conventional and nuclear force in Europe, and that it will not withdraw all nuclear weapons from Western Europe. Since nuclear weapons will become a deterrent force, the United States does not want Europe to become a place "where only conventional war can be successfully fought." For this reason, while suspending the plan for modernizing short-range missiles in Europe, the United States is also planning to replace its nuclear artillery shells with new long-range strategic air-to-land missiles. It hopes that these missiles can be deployed in European countries other than Germany. But the problem is that under the new situation, European countries except Great Britain probably might refuse to deploy the air-based nuclear weapons on their territory. In addition, the Soviet Union has also opposed the plan. This has created new difficulties for the U.S.-Soviet disarmament talks. Therefore, it is now still too early to predict the future nuclear situation in Europe.

Commentary Discusses Most Favored Nation Issue

HK1305030090 Hong Kong SUNDAY STANDARD
in English 13 May 90 p 8

[Commentary: "A Time for Logic—Not Emotion"]

[Text] Excluding some act of unforeseen brutality on the part of the Chinese leadership between now and June 3, the President of the United States, George Bush, will almost certainly recommend to Congress extending China's most favoured nation [MFN] status.

In doing so he will encounter a strong body of opinion, both inside and outside Congress, which believes the international community should go on punishing China for its violent suppression of the pro-democracy movement last June.

At the time, the international community was quick to condemn China and impose sanctions of one kind or another.

But since then we have witnessed the tearing down of the Iron Curtain in Eastern Europe and communism in retreat around the world. Events which have not gone unnoticed by China's ageing leadership.

The old men who sit in Beijing will never lose face by bending to external forces. Yet, in their own time and in their own way will implement change as they see fit.

The lifting of martial law in Tibet and the freeing of dissidents this week are all timed to effect something in return. In this case to soften U.S. opposition against continuing China's MFN status.

Those bent on wanting to punish China should let logic not emotion dictate their actions.

To deny China MFN status—a provision in commercial treaties between the United States and other nations which protects them against tariff discrimination—will have profound ramifications for Hong Kong.

Not to mention the impact it will have on relations between the U.S. and China.

To deny China MFN status will cripple Hong Kong at a time when we can least afford it. Particularly in terms of our financial position and in terms of confidence in the territory's future.

Those who argue against MFN status for China should consider the following:

- The economies of both China and Hong Kong are closely interwoven.
- Hong Kong is the source of two-thirds of all foreign investment in China.
- More than 33 percent of all China's trade passes through Hong Kong.
- In seven years time Hong Kong will revert back to Chinese sovereignty.
- Hong Kong is suffering from a severe confidence crisis.

Only this week the President of the American Chamber of Commerce in Hong Kong, John Kamm, pointed out that to end the MFN status would deal a "devastating economic blow" to the territory.

He pointed out that Hong Kong was heavily dependent on the trade between the U.S. and China. The loss of import and export contracts could cost Hong Kong anything from HK\$39 billion a year to \$70 billion.

The knock-on effect would be felt in virtually every sector of Hong Kong's service industry.

These facts have to be hammered home to the Americans, something which the Governor, Sir David Wilson, and Kamm, will undoubtedly be doing over the next few weeks as they present Hong Kong's case to the American people.

The question of whether the U.S. should continue its MFN status with China has nothing to do with morality. It is a question of survival—our survival.

And that is the message Sir David and Kamm must take to the United States from the people of Hong Kong.

Reportage Continues on Xu Jiatun's U.S. Trip

Xu 'May Not Return'

HK1205014390 Hong Kong HONGKONG STANDARD in English 12 May 90 p 1

[By Fan Cheuk-wan]

[Text] Xu Jiatun, former director of the Hong Kong branch of the XINHUA News Agency, "may not return" to China after his U.S. holiday, according to left-wing sources.

Mr Xu's sudden visit has apparently caused worry among local leftwing circles. His successor at XINHUA, Zhou Nan, last night met key leaders of the mainland establishments in Hong Kong to brief them on the trip.

In a statement yesterday, XINHUA said Mr Xu "is touring and taking a rest in the United States."

Informed Chinese sources said it was unusual that Mr Xu, 74, a senior party cadre, was visiting the U.S. with an ordinary tourist visa.

"It is very strange for Xu, who is still a member of the National People's Congress Standing Committee and the party's Central Advisory Committee, to apply for a tourist visa to the U.S.," a leftwing source said.

"If he just wants to have a tour around the U.S. why didn't he apply for a visa in the American embassy on the mainland?"

Diplomatic sources said Mr Xu arrived in Los Angeles with five of his 10 children and several close friends.

However, his wife, Mrs Xu Gu Yiping, has told THE HONGKONG STANDARD she was not aware of any plan of her husband to go abroad.

Mrs Xu was not available for comment yesterday. She had left her Nanjing home to visit a friend.

A housekeeper at Mr Xu's home, who identified himself only as Mr Lu, said Mrs Xu left early yesterday for Yangzhou.

On Mr Xu's whereabouts, Mr Lu said: "He is away from home and nobody knows where he has gone."

Sources said Mr Xu did not have close relatives in the U.S. but he had quite a number of friends and connections there.

Tsui Sze-man, a local member of the Chinese People's Political Consultative Conference, said Mr Xu would be

seeking "a free life" in the U.S. But he said it was unlikely he would seek political asylum.

"It is difficult to predict whether Xu will return to the mainland in future. He may try to seek for a free life in the U.S."

Li Chuwen, former XINHUA deputy director in Hong Kong and a former close colleague of Mr Xu, said he was surprised to learn of the sudden visit.

"In ordinary situations Chinese officials should apply for entry visas to foreign countries at their embassies in China. They must apply for the visas for business purposes," Mr Li said.

Mr Li's duties at XINHUA covered foreign affairs and he is now a foreign affairs adviser to the Shanghai Municipal Government. He said all Chinese officials had to seek prior approval before they applied for foreign visas.

"In the first place, they must seek prior approval from their working departments before they apply for the visas. They must also go through other necessary procedures if they want to travel to Hong Kong," he said.

Mr Li said he was not certain where Mr Xu would have gained approval to go abroad and he did not know why Mr Xu applied for the visa in Hong Kong.

Mr Li said there were no regulations requiring retired Chinese officials to return their diplomatic passports.

Writes Letter to Deng Xiaoping

HK1205015190 Hong Kong SOUTH CHINA MORNING POST in English 12 May 90 p 1

[By David Chen and Chris Yeung]

[Text] The former director of the New China News Agency [NCNA] in Hong Kong, Mr Xu Jiatun, who arrived in the United States at the start of this month, wants to "take a rest" away from China for two to three years, sources said yesterday.

But an official at the U.S. State Department, said that as far as Washington was concerned, "Mr Xu has not defected to the U.S."

"As far as we know, he came here on a visitor's visa in early May and is not asking for political asylum," the official added.

Mr Xu, 74, is staying in a house in Los Angeles with a few of his family members, including his son and daughter-in-law, and a grandson. They are accompanied by a close friend, believed to be a Hong Kong businessman.

Mrs Xu, who is in her early 70s, is not with them. She returned to Nanjing with her husband from their Shekou home in April and did not join him when he left for the south again on his way to the U.S.

They have been married for 53 years and have 10 children.

Mr Xu wrote of his intention to take a rest in a lengthy letter to two top Chinese leaders, Mr Deng Xiaoping and the president, Mr Yang Shangkun.

The sources said the letter was written after Mr Xu arrived in Los Angeles.

Mr Xu is known to be very close to Mr Deng. While chief of the NCNA here, he often travelled to Beijing and would not leave the capital without having at least one session with the top leader.

However, during the pro-democracy movement in China last May and June when leftwing groups in Hong Kong also took to the streets, Mr Xu went to Beijing for consultations but was unable to be received by Mr Deng.

Instead he saw Mr Yang and the prime minister, Mr Li Peng, who were unhappy with his handling of the situation in Hong Kong.

It was Mr Li who abruptly terminated Mr Xu's tenure here and appointed the senior vice-foreign minister, Mr Zhou Nan, to succeed him earlier this year.

At a glittering party to introduce Mr Zhou a few weeks later, Mr Xu spoke highly of his successor.

However, in his speech, Mr Zhou made no reference to Mr Xu and his achievements.

Sources said the original speech did contain a passage praising Mr Xu for his work, but the central leadership removed the passage.

This probably explained why Mr Xu's letter from Los Angeles was not addressed to Mr Li as well as the other two leaders.

Mr Zhou is understood to have met senior representatives of a number of major local Chinese newspapers after returning from consultations in Beijing last night.

But an NCNA spokesman yesterday would only make a one-line comment on the issue, saying: "As far as we understand, Mr Xu has travelled abroad for a rest."

A vice-director of the agency, Mr Zheng Hua, who was supposed to officiate a public function of the China Merchants Group, did not turn up.

The head of the agency's foreign department, Mr Ji Shaoxiang, who attended the function, said he had nothing to add.

A local deputy of the Chinese National People's Congress, Mrs Liu Yiu-chu, said: "According to my assessment of Director Xu's character and the current situation, I don't believe he will plan to lead a fugitive life or do anything detrimental to the nation."

It was learned that while Mr Xu had not sought permission from top leaders in Beijing to travel abroad, he was

in contact with other officials. He was also issued an exit permit as required by Chinese law but sources said this could be obtained in south China, with which he is well acquainted.

Late last night, it was learned that four associates of Mr Xu had been recalled back to Beijing earlier in the day.

Removal as XINHUA Chief Viewed

HK1205044490 Hong Kong TUNG FANG JIH PAO
in Chinese 12 May 90 p 4

[Report: "Xu Jiatun Reacted Strongly to the Abrupt Decision of the CPC Central Committee on Transferring Him Back Home"]

[Text] It is rather difficult to pin down the cause for Xu Jiatun's secret departure for the United States. It is generally believed, however, that the CPC Central Committee's abrupt decision to transfer him back home might have led to his leaving for the United States.

It was learned that last Christmas, Xu received an abrupt notice from the Central Committee calling him back to Beijing to report work. Direct Xu, who, in the eyes of the leftists, had been "good at building up public relations," had no idea about his transfer beforehand.

Because Xu was a senior official, according to usual practice, a reshuffle involving a personality at the top echelon could not be effective at short notice, and there had to be a transitional period for the new director to take over the job. Unexpectedly, when Xu Jiatun arrived in Beijing, he was granted an interview with the powers that be, with notice that "the Central Committee has already decided upon a prompt transfer" of his post, with Zhou Nan succeeding him as director of the XINHUA Hong Kong Service.

It was learned that Xu had asked the Central Committee to allow him some time to make arrangements for the change of office when he returned to Hong Kong, but unexpectedly, the powers that be said: "It is quite unnecessary!"

Next, the central authorities issued an order to Hong Kong, requiring major responsible people of XINHUA Hong Kong Service to leave for Beijing for a meeting. Nobody summoned at that time had any knowledge of what was to be discussed at the meeting. It was not until their arrival that they found out that it was presided over by none other than the CPC Central Committee General Secretary Jiang Zemin himself; at the meeting he made the announcement that Xu Jiatun was being transferred, and Zhou Nan was to become his successor as XINHUA Hong Kong Service director.

It was learned that Jiang Zemin made the following assessment of Xu Jiatun's work in Hong Kong over the years: "Xu has done voluminous work, making a breakthrough in Hong Kong." XINHUA made an official announcement of the reshuffle right after the meeting.

The whole course of the incident was rather abrupt for Xu Jiatun. He was heartbroken and talked about it in tears with some people, as a source put it.

Impact of Visit Viewed

HK1205025990 Hong Kong SOUTH CHINA
MORNING POST in English 12 May 90 p 15

[By David Chen]

[Text] The surprise arrival in the United States of China's erstwhile "grand old man" in Hong Kong could create fresh friction between Beijing and Washington and may also have an unpredictable impact on the territory.

Mr Xu Jiatun, the most senior Chinese official to have left the mainland, has chosen to take a "long rest period" in a country which lately has been at extreme odds with the current leadership in Beijing.

Mr Xu has told China's leaders that he will be away for two or three years. But it is highly unlikely he will ever go back to the mainland unless there is a change of leadership there.

Particularly worrying to Beijing is the fact that a most experienced and loyal cadre with some 52 years of party membership should decide to spend his retirement away from the mainland.

Far more significant is Mr Xu's limitless knowledge of the Chinese Communist Party, the Chinese Government at both central and regional levels as well as the military, not to mention the thoughts and habits of the Chinese leadership, both past and present. This is knowledge that any country would pay a fortune to acquire.

Mr Xu occasionally hinted that he might write his memoirs when he retired, though not for publication. He may now be able to do that for an attentive readership in Washington's corridors of power.

This would understandably cause much consternation in Beijing and it may safely be assumed that China's leaders are furious that such a senior man, whom they had instructed to stay on the mainland partly for security reasons, could have slipped out of China and been given a safe passage to the United States.

The Americans have emphasised that Mr Xu was travelling on a "regular" tourist visa. But the issue of such a visa to such a prominent figure is highly unusual.

The Chinese authorities may also be highly suspicious of any role the Hong Kong authorities played in easing Mr Xu's passage through the territory.

At present relations between Hong Kong and the mainland are hardly cordial—with controversy over the right of abode issue, the detention of two policemen in a smuggling case, the government's "countenance" of what China claims to be "subversive activities" and the use of the territory for the escape of many democracy

fugitives. Mr Xu's transit through Hong Kong will undoubtedly add to the strain.

As Mr Xu's plane was taxiing on Kai Tak's runway, he must have been reflecting on a life-long career that is probably drawing to a close.

He was born to a peasant family on March 10, 1906, in the fertile farmland region of Rugao, north of Yangtse River in Jiangsu Province. But Mr Xu's childhood days are obscure.

Official records show that he was married at the age of 21, to Gu Yiping, a girl from the same province, whom he has now left behind on the mainland.

A year later he joined the party and the Red Army to fight the Japanese.

"I was at that time fighting a guerilla war against the Japanese," he told acquaintances in Hong Kong years later.

Within a few years, he was made a secretary of the party committees in Ruxi and Taizhou counties, all near his home town.

The following years saw him rising steadily in the regional party hierarchy, to the position of deputy political commissar of the 11th Column.

After the Japanese surrender, the guerilla forces were absorbed into larger units that formed part of the Third Field Army under Marshal Chen Yi.

He saw action during the liberation war, serving as political commissar of the 29th Army.

The forces marched into coastal south China and stopped in Fujian where Mr Xu and many of his comrades stayed. He became a deputy secretary of the Fuzhou party committee.

Five years later, he returned to Jiangsu and joined that Nanjing party committee. In 1956, he was promoted to the Jiangsu provincial party committee.

At the outbreak of the cultural revolution, Mr Xu was a vice-governor and first secretary of the provincial party committee.

That period saw him temporarily chairman of the Jiangsu provincial revolutionary committee and political commissar of the Jiangsu Military District.

With the arrest of the gang of four in 1976 and the return of Deng Xiaoping the following August he was appointed a member of the 11th party Central Committee. Within a few years he was the most powerful man in Jiangsu, being its party first secretary, chairman of the provincial People's Congress, first political commissar of the Nanjing Military Region and subsequently governor of the province as well. He was reelected to the 12th party Central Committee in 1982.

It was in that powerful position that Mr Xu came to Hong Kong to head the New China News Agency in March 1983.

One of his first tasks was a visit to the Kowloon Walled City, a controversial area over which Beijing claimed sovereignty.

As the talks progressed and many of the obstacles were removed, Mr Xu also became a little more benign. But there was still the occasional flash of temper.

His accusation that the British side was not acting in accordance with the spirit and letter of the Joint Declaration is a case in point. The resulting quarrel was so serious that the Director of the Hong Kong and Macao Affairs Office in Beijing, Mr Ji Pengfei, had to come here to calm things down.

Mr Xu's membership of the party Central Committee was also a cause for concern. He gave that up in September 1985, only to join the Central Advisory Committee, then headed by Mr Deng Xiaoping. He also remained in the National People's Congress.

Over the years, Mr Xu mellowed considerably. His affable nature came out especially when talking to the local press. During one Lunar New Year party, young journalists demanded "lai see" [traditional gifts of money at Chinese New Year] from "Uncle Tun." He obliged them with several dozen red packets.

Mr Xu is also said to have taken a personal interest in studying Hong Kong's capitalist economy. He detailed the territory's role in developing China's economy. He has also repeatedly praised the capitalist system.

One of his favourite pastimes was riding the territory's buses, trams and MTRs. Several times, he was found eating at tai pai tongs [street food stalls]. Now maybe he will switch to McDonald's.

Trip To Cause Clampdown

HK1405015790 Hong Kong HONGKONG STANDARD
in English 14 May 90 p 1

[By Tammy Tam]

[Text] Beijing is to tighten controls over Chinese officials in Hong Kong after the sudden flight to the U.S. of Xu Jiatao, former director of the local branch of XINHUA NEWS AGENCY.

Former associates of Mr Xu at XINHUA are worried that they will now be out of favour and lose Beijing's trust.

It is understood that Beijing was shocked by Mr Xu's departure and instructed XINHUA to clarify the matter. Mr Xu obtained his visa in Hong Kong.

XINHUA will also contact the U.S. consulate and the Hong Kong Government for more details.

The Hong Kong Government, meanwhile, is worried that it will be put in an awkward position in similar cases of Chinese officials applying for tourist visas at consulates in the territory.

Beijing has denied reports that it considers Mr Xu has fled to the U.S. The official line is that he is "visiting and taking a rest."

But sources said they expected Beijing to tighten controls, especially over travel documents and overseas trips.

Sources said that in the past few years, policies on overseas-based Chinese officials had not been strictly implemented.

Mr Xu, who retired in February, left for the U.S. quietly via Hong Kong early this month without informing Beijing or his wife.

He obtained a tourist visa from the U.S. consulate in Hong Kong.

It is believed Mr Xu was helped by a prominent and wealthy Hong Kong businessman.

One Chinese official said there were loopholes in Beijing's control over the activities of its personnel in Hong Kong. But he was worried that the mainland may seek help from Hong Kong and foreign consulates here to prevent similar cases.

"For instance, Beijing may set a regulation that without official approval from Beijing, it would be invalid for People's Republic of China business or even diplomatic passport holders to apply for foreign visas in Hong Kong," the official said.

"Meanwhile, the shift system for Hong Kong-based Chinese officials stressed after the June 4 incident is believed to have been further stressed, which means one should be replaced after a certain period in the territory."

Mr Xu has not yet appeared publicly to clarify speculation over his unusual trip.

Some U.S. reports said the CIA was trying to persuade Mr Xu to seek political asylum, but observers said that was unlikely.

They said it would be more likely for China's former top representative in Hong Kong to be less provocative, seeking a longer stay in the U.S. for non-political reasons.

Mr Xu's wife, Gu Yiping, is visiting friends and relatives in Yangzhou.

A housekeeper at Mr Xu's Nanjing home said yesterday that he had no idea whether Mr Xu had contacted his wife.

"Ms Gu will come back to Nanjing in a few days. I don't know whether she received any news from Mr Xu," said the housekeeper.

Beijing is especially concerned about Mr Xu's departure because he is privy to a good deal of information likely to be of interest to Western nations.

Some Chinese observers said it would be difficult for Mr Xu to make an early return after the way he departed.

A normal visitor's visa allows a stay of between three and six months, with options for extensions.

The timing of the announcement of Mr Xu's arrival in the U.S. embarrassed China. It came as Beijing was maintaining the mainland was back to normal after last June's crackdown, and as various sensitive anniversaries are taking place.

Mr Xu was seen by many as sympathetic to local XINHUA and Chinese commercial staff who joined protest rallies in Hong Kong last year.

Soviet Union

Yang Shangkun Makes Brief Visit to Leningrad

OW1305161590 Beijing XINHUA in English
1538 GMT 13 May 90

[Text] Leningrad, May 13 (XINHUA)—Chinese President Yang Shangkun arrived here this afternoon for a brief stop en route to Mexico, the first stop of his five-leg Latin American tour that also includes Brazil, Uruguay, Argentina and Chile.

He was met at the airport by Rafik Nishanovich Nishanov, chairman of the Soviet of Nationalities, and Vladimir Hodnev, chairman of the Executive Committee of Leningrad.

Also present at the airport were Yu Hongliang, Chinese ambassador to the Soviet Union, and Zhang Weichao, Chinese consul general to Leningrad.

During his stay here, Yang laid a flower basket at the Monument to the Heroic Defenders of Leningrad, and visited the famous Hermitage Museum.

Yang was accompanied by Vice Premier Wu Xueqian, Vice Foreign Minister Liu Huaqiu and Lu Xuejian, vice minister of foreign economic relations and trade.

Li Peng Speaks at Moscow News Conference

OW1305101990 Beijing in Russian to the USSR
1900 GMT 1 May 90

[Text] PRC State Council Premier Li Peng was on an official visit to the Soviet Union from 23 to 26 April. On 25 April he held a news conference at the USSR Ministry of Foreign Affairs at which he replied to questions of Soviet and foreign journalists.

First of all, State Council Premier Li Peng noted that his visit to the Soviet Union had been successful and that he was gratified by this. Responding to a TASS correspondent's question, Li Peng said that the current talks between Chinese and Soviet leaders had opened new prospects for further economic and technical cooperation between the two countries. China and the Soviet Union are neighboring countries. The economy of China and the economy of the Soviet Union mutually supplement one another to a fairly great extent. In other words, China has many advantages that the Soviet Union does not have, while the Soviet Union also has many advantages not available to China.

Let us take the agreements that have just been signed as an example. The Soviet Union will provide long-term credit to China for the construction of two atomic electric power stations of more than 2 million kilowatts output each. China will extend short-term credits to the Soviet Union amounting to more than 500 million Swiss francs for the purchase of light and textile industry goods. Talking about forms of cooperation, he noted that besides trade, both countries can establish enterprises founded entirely with their own capital or with joint capital. They can process materials and components supplied by the clients and conduct technical exchanges. The sphere of cooperation of the two sides is broad.

Dwelling on the main results of his visit to the Soviet Union, Li Peng said: In May last year Comrade Gorbachev made a visit to China that was of historic significance and could be summed up by the words: Close the past and open the future. My current visit has been carried out precisely with the aim of further opening up the future, and successes in this regard have already been achieved.

Concerning the question of the USSR and East European countries, Li Peng said: A small number of people in the West presently want to see differences between China and the Soviet Union, in their views on reforms. Besides, the greater number of differences the better. He stressed that China and other socialist countries are not united in all views and methods of pursuing reforms and that each country has its own reality and each country is at a different stage of development when compared to other countries. As far as the method of building socialism is concerned, every country must resolve it taking into consideration the situation in its own country. There is no single established model for this.

In talks with Comrades Gorbachev, Ryzhkov, and Lukyanov, they said that perestroika in the Soviet Union is being carried out while defending socialism.

Talking about the situation in Eastern Europe, State Council Premier Li Peng noted that nobody expected such enormous changes in some East European countries. Whether or not such changes will lead to their complete rejection of a socialist system is yet to be seen. This will also need to be studied thoroughly. In any case,

China is ready to adhere to normal interstate relations with them on the basis of the five principles of peaceful coexistence.

In response to a question from a correspondent of the British TIMES newspaper about the role of perestroika in the Soviet Union, Li Peng said: As I understand it, Gorbachev has in mind that the role of perestroika can be compared to the role of the October Revolution for the development of the Soviet Union and does not mean going back against it. At the recent celebration in Moscow devoted to the 120th anniversary of the birth of Vladimir Ilich Lenin, Comrade Gorbachev expressed readiness to stick to the course of Leninism. I express support for this.

In response to a question by a Japanese correspondent, Li Peng said that General Secretary of the CPC Central Committee Jiang Zemin will visit the Soviet Union at a time convenient to him.

Replying to an Italian journalist's question, Comrade Li Peng noted that the Soviet leaders had declared that their perestroika is being carried out in a socialist direction. Concerning specific measures, every state must decide them in accordance with its specific conditions. The fact whether or not a multiparty system will be implemented in the Soviet Union must be determined by the party and the people of the Soviet Union themselves, while in China a system of multiparty cooperation and consultations is being implemented under the guidance of the CPC.

Comrade Li Peng also answered other questions.

Northeast Asia

Li Peng Indicates Ties With Japan 'Hampered'

OW1205103790 Beijing XINHUA in English
1010 GMT 12 May 90

[Text] Beijing, May 12 (XINHUA)—Premier Li Peng met Yoshimi Furui, chairman of Japan-China Friendship Center and an old friend of the Chinese people, here today.

Li told his 88-year-old guest, "The China-Japan friendly relations have not come easily. My generation has the responsibility to maintain and further develop such relations."

He said China does not like to see that the China-Japan friendship should be hampered by this or that event.

He said China and Japan should handle their relations in the light of the overall interests of the peace and stability of Asia and the world. China is willing to make China-Japan friendship last.

Yoshimi Furui told Li that the Japanese people and public opinion are for Japan-China friendship. He said the two countries and peoples should work together for the peace and development of the world.

Li said he is happy to know such an attitude of the Japanese people. He said the Chinese people would like to do the same.

Li also briefed Yoshimi Furui on China's domestic situation.

Ochirbat's Beijing Visit To Further Ties

OW1005232090 Beijing in Russian to the USSR
1900 GMT 4 May 90

[Radio talk: "In the Name of New Development of Good-Neighborly Relations Between the People's Republic of China and the Mongolian People's Republic."]

[Text] Punsalmaagiyn Ochirbat, chairman of the Presidium of the People's Great Hural of the Mongolian People's Republic [MPR], arrived in Beijing on 4 May on an official friendly visit to our country. This is the first time in 28 years that the top leader of the MPR has visited China, and it signifies a new development in Chinese-Mongolian relations.

The PRC and MPR are neighboring socialist countries sharing common mountains and rivers and a common border more than 4,600 km long. The relations between the two countries have developed gradually through joint efforts in recent years. In 1984, the sides successfully concluded a joint inspection of the common border line. During the same year, the first meeting in many years between the foreign ministers of the two countries took place at UN Headquarters. The two sides revived border trade in 1985. The following year, agreements on long-term goods exchanges and a consular agreement were signed, and Ulaanbaatar-Beijing airline flights were resumed.

An agreement on a border system and expansion [as heard] of border issues was signed in 1988. Agreements were concluded a year later on establishment of a PRC-MPR committee on cooperation in the spheres of economics, trade, and science and technology. An agreement on mutual contacts between the citizens of both sides, and an agreement on the reopening of the MPR general consulate in Hohhot, in China's Inner Mongolia, were also concluded. All of this gave an impetus to the stable and healthy development of Chinese-Mongolian relations.

Moreover, it ought to be recalled that an exchange of visits between a delegation of the Chinese National People's Congress, headed by Peng Chong, deputy chairman of its Standing Committee, to the MPR in June 1987, and Rinchin, chairman of the MPR People's Great Hural Presidium [as heard] to China in September 1988 led to the restoration of ties between the parliaments of both countries, which had been interrupted for many years. Last year, the foreign ministers of both countries and the heads of the International Relations

Departments of the CPC Central Committee and the Mongolian People's Revolutionary Party Central Committee exchanged visits.

Contacts between public organizations and ties in the spheres of culture and sports between both countries are increasing constantly. Trade and economic ties between China and Mongolia have developed gratifyingly in the past two years. An approximately 80 percent increase in the trade volume is expected this year. In the past two years more than 30 economic contracts or protocols of intent between the sides were signed, and talks are presently underway on establishing of joint medium or small enterprises.

Both China and Mongolia must build their own countries and develop their national economies. Their peoples desire to strengthen and deepen good-neighborly relations between China and Mongolia. In his report at the Eighth Session of the People's Great Hural in March this year, Ochirbat, People's Great Hural Presidium chairman, noted that all-round development of traditional relations with the two great neighbors, China and the Soviet Union, is one of the main tasks of the MPR's foreign policy. Chairman Ochirbat further noted that the development of friendly relations and cooperation with China in the spheres of politics, economics, culture, and science and technology is of great significance. In April, during his meeting with the Chinese ambassador to the MPR, he reiterated the readiness to further develop good-neighborly and friendly ties between the two countries.

PRC President Yang Shangkun, in his congratulatory telegram in connection with his election as chairman of the MPR People's Great Hural Presidium, noted emphatically that the development of good-neighborly and friendly relations between the two countries on the basis of the Five Principles of Peaceful Coexistence fully corresponds with the fundamental interests of the two peoples and favors peace and stability in Asia, while the current visit of Chairman Ochirbat to China embodies the common aspirations of the two peoples to promote the development of these relations.

DPRK Worker's Party Delegation Visits Beijing

Jiang Views Friendship

OW1105135390 Beijing XINHUA Domestic Service in Chinese 0408 GMT 11 May 90

[By reporter Yang Guoqiang (2799 0948 1730)]

[Text] Beijing, 11 May (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee, this morning met in Zhongnanhai with a Workers Party of Korea [WPK] delegation headed by Kang Song-san, member of the Political Bureau of the WPK Central Committee and executive secretary of the party committee of North Hamgyong Province.

Jiang Zemin said: "China and Korea are not only friendly neighboring countries; they also have historical and traditional friendship. Not long ago, I visited your beautiful country and was warmly received by President Kim Il-song and the Korean people. I felt that the friendship between China and Korea was deeply rooted in the hearts of the people and saw that the Korean people have made great achievements in socialist construction under the leadership of President Kim Il-song."

Kang Song-san said: The Korean-Chinese friendship established by the leaders of our two countries will be handed down from generation to generation. He said: Under CPC leadership, the Chinese people have continuously made great achievements in socialist construction. This shows that the CPC's adhering to the four cardinal principles, carrying out the reform and open policy, and building socialism with Chinese characteristics are in accord with the wishes of the Chinese people.

Kang Song-san conveyed President Kim Il-song's cordial regards to Jiang Zemin, Deng Xiaoping, and other Chinese leaders. Jiang Zemin asked the delegation to convey Deng Xiaoping's and his cordial regards to President Kim Il-song and the other leaders of the WPK.

Present at the meeting were Zhu Liang, head of the International Liaison Department of the CPC Central Committee, and Chu Chang-chun, Korean ambassador to China.

The Korean guests will leave Beijing on 13 May to visit other places; they will end their China visit on 21 May and return home.

Delegation Meets Song Renqiong

SK1205053490 Beijing International Service in Korean 1100 GMT 11 May 90

[Text] In Beijing on the afternoon of 10 May, Song Renqiong, vice chairman of the Central Advisory Commission of the CPC Central Committee, met a delegation of the Workers' Party of Korea [WPK], member of the WPK Central Committee Political Bureau and responsible secretary of the North Hamgyong Provincial Party Committee.

At the meeting, the two sides exchanged views on matters of mutual concern.

The delegation arrived in Beijing yesterday afternoon at the invitation of the CPC Central Committee and is now on visit to China.

Jiang Zemin Befriends Reporters in DPRK

OW1405093990 Beijing ZHONGGUO JIZHE [CHINESE JOURNALIST] in Chinese Issue No 4, 15 Apr 90 pp 7, 8

[By Yu Jiafu (5713 1367 1788)]

[Text] The charter plane B2406 of the Civil Aviation Administration of China, which took off moments ago from Sunan International Airport in Pyongyang, is now flying above the clouds.

Heading home from his Korean visit, General Secretary Jiang Zemin is engaged in a conversation with accompanying reporters from the XINHUA News Agency, RENMIN RIBAO, the China Central Television Station, and other news agencies. He has shaken hands with each one of them and expressed appreciation for fulfilling their reporting assignment, despite the tiring and nerve-straining work involved. At the sight of Li Shengnan, a XINHUA photographer, a delighted Jiang Zemin said: "We are old friends now." Indeed, friendship has been build between the general secretary and the reporters, who feel unanimously that he is very supportive of the reporters' job and very understanding of their toil. The reporters go on to reminisce about traveling with Jiang Zemin over the past few days.

Just a half hour ago, Comrade Jiang Zemin was signing autographs for photographic reporters. After posing for a picture with Xu Boling, president of Air China, and Hao Yuping, vice manager of the company's passenger service section, who were in charge of this flight, Jiang Zemin began to chat with Tang Mengzong, a XINHUA photographer. Tang gave Jiang Zemin two photographs he had brought with him: one showed Jiang Zemin playing table tennis, and the other in a "friendly game" with Qiao Hong on 2 January on the lunar calendar this year, when he called on athletes. Jiang Zemin said: "These are well-taken pictures. The sweater I put on that day in a hurry was torn slightly at the sleeve. Did it show in the picture?" Tang Mengzong answered: "You can't see it in the picture." Then he asked the general secretary to autograph the picture of him playing table tennis. Getting hold of a yellow pen, Jiang Zemin asked "What is your name?" Tang Mengzong took out a namecard. Then, copying the name down, Jiang Zemin wrote: To Comrade Tang Mengzong, 16 March 1990." He pocketed the namecard when he had finished and said: "I will keep your namecard." At the same time, Li Shengnan, who was taking their pictures all the while, also offered Jiang Zemin his namecard, bearing his colored photograph. Jiang Zemin gladly put it into the pocket of his suit.

What was memorable for the reporters was an informal gathering with Jiang Zemin earlier in the afternoon before the delegation left Pyongyang.

On the day before, Jiang Zemin had pictures taken with several reporters. But Xing Zhibin, an announcer with the China Central Television Station, missed the opportunity, being tied up in the editing of a television film. Someone reported to Jiang Zemin the reporter's wish to have a picture taken with the general secretary. Jiang Zemin agreed and invited the reporters to the parlor.

It may still be a little chilly in Pyongyang in mid-March. But, spring is in the air at the Baekhuawon [Hundred-Flower Garden] State Guesthouse where the delegation is staying. Ripples of the green lake and fresh flowers, including Indonesian orchids in the main hall of the guesthouse, really fascinated the people. When Xing Zhibin, Li Shengnan, and other reporters headed for the parlor in the main guest hall, in the corridor they heard a melodious piano sonata coming from the parlor. Who was playing? When they stepped into the parlor, they found none other than Jiang Zemin at the piano. It was a little more than an hour before the time to board the homeward flight.

At the end of the sonata, the general secretary, seeing that Xing Zhibin and several other reporters, as well as Zhu Liang, head of the International Liaison Department, and Zeng Qinghong, deputy director of the general office of the CPC Central Committee, had come to the parlor, suggested in high spirits: "I play and you sing." Showing great dexterity, he began playing, without musical score, the "Yellow Water Ballad" from the "Huang He Chorus" by Xian Xinghai. Zhu Liang, Zeng Qinghong, and the reporters sang together. When they finished the song, Jiang Zemin told Li Shengnan: "You have a good voice and sing quite well." Then, Xing Zhibin sang a solo, "The Waves of Hong Hu Strike Against Each Other," while Jiang Zemin continued the piano accompaniment.

Jiang Zemin loves music, and many people have known this for a long time. Two and a half years ago, when Jiang Zemin was mayor of Shanghai, he met with Min Huifen, an erhu [a two-stringed, bowed musical instrument with a lower register than jinghu] performer who had recovered from cancer. Jiang Zemin picked up her erhu and played the tune of Liu Tianhua's "Singing While Ill in Bed." Some professionals on the occasion said that he was "quite skillful in playing the bowed instrument, with a very pure tune." Jiang Zemin said: In a foreign country, it really makes me nostalgic when I hear the sound of an erhu.

When the group was waiting in the main hall for General Secretary Kim Il-song, who was to accompany General Secretary Jiang Zemin to the airport, Jiang Zemin once again approached the reporters and talked with them. Touching on the housing problem, Jiang Zemin asked Xing Zhibin: "Where do you live?" Xing Zhibin said: "Now, I live here and there, like I was fighting a guerrilla war." Jiang Zemin said: "You are a telecaster on the national hookup program. It would be better if you lived close to the television station"

The general secretary also told the reporters his impression of the opera "The Flower-Selling Girl," performed the previous evening. He held that the artistic form of expression of the opera was very rich. He said that, when he was head of an professional team in Romania, he saw a movie with the same title. The opera performance in Pyongyang this time was more touching, in particular, the handling of relations between Huani and her sister

Shunji was quite exquisite. Besides, the lyrics were also very good, with a specially pleasing quality.

Zhang Jinfang, reporter of XINHUA News Agency's Pyongyang Branch, broke in and asked Jiang Zemin about his impression of his current visit to Korea. Jiang Zemin first asked Zhang Jinfang whether he was a member of the reporters' group accompanying the visiting delegation, or a reporter stationed in Pyongyang. Zhang Jinfang said he was stationed in Pyongyang on a permanent basis. In view of the limited time, since Zhang was not a member of the reporters' group and he could not answer Zhang's question on board the plane, Jiang Zemin immediately answered his question. He first said that he was greatly moved by the warm hospitality shown him and the visiting delegation by the Korean party and Government, as well as the Korean people. He also said: "The Korean people have a very strong sense of organization and discipline, and are civilized and courteous. The entire Pyongyang City is clean and neat. Besides, the buildings in Pyongyang are very beautiful. In particular, the doomed "May 1st" Stadium (formerly called Lingluodao Stadium) can accommodate 150,000 people with its special canopy to protect the crowd from rain and sun. Therefore, I hope that our students in Korea, who are studying architecture, pay greater attention to studying the good qualities of Korean architecture." At that time, General Secretary Kim Il-song arrived and had a picture taken with Comrade Jiang Zemin. The reporters' interview with General Secretary Jiang Zemin had to stop at that time. However, all reporters were very happy, because he answered all their questions.

This writer has seen that General Secretary Jiang Zemin also makes friends with foreign reporters. Jiang Zemin himself also mentioned this when he spoke to Chinese foreign affairs workers at the Chinese Embassy in Korea. He said: "I was interviewed by Mortimer Zuckerman, Editor-in-Chief of U.S. NEWS AND WORLD REPORT. He and I are totally different in world outlook and concept of value, yet we can make friends." Regarding this matter, this writer personally saw it and so could still remember very well.

On the afternoon of 21 February this year, Jiang Zemin gave an interview to Mortimer Zuckerman in a large conference room at Zhongnanhai. There was a large painting of flowers and birds, with the signature of a famous artist set upright in front of the large conference room.

Mortimer Zuckerman started to speak to Jiang Zemin: "I heard a long time ago that you have done a lot in Shanghai, with abundant experience." Jiang Zemin said: "I very much welcome you to China to gather news. I think we can seize the time to concentrate on certain questions. Our conversation can be conducted in the form of a heart-to-heart talk. Since we are friends, we don't have to speak in a bureaucratic tone." "I have told some American friends that the Chinese people know more about the American people than the American

people know about the Chinese people. Many Chinese people started to learn English at fifth grade in primary school, and so they know more about the United States."

Mortimer Zuckerman nodded to express agreement. He has been editor in chief of "U.S. NEWS AND WORLD REPORT" since 1985.

His current trip to China was exclusively to interview Jiang Zemin about his views on various issues. He asked Jiang Zemin what were his goals after assuming the post of general secretary and what he would do for the Chinese people. In his reply, Jiang Zemin said: After assuming the post of general secretary, I have a heavy burden and must set examples for others in everything. It is necessary to maintain and carry forward the good tradition of the Communist Party of China [CPC] accumulated through the years and the ruling party must keep close flesh-and-blood ties with the masses. Zhongnanhai is located to the west of the Forbidden City, surrounded by a red wall. However, we must never let this wall separate the broad masses from ourselves.

Mortimer Zuckerman was very interested that Jiang Zemin often cited poems, mottos, and epigrams. He asked: "How could you learn so many mottos and epigrams?" In order to save time, Jiang Zemin directly used English to hold talks with him. He said: "My native place, Yangzhou, is a famous cultural city along the Chang Jiang. Many poets lived there during the Tang and Song dynasties, and they left many oft-quoted and widely-loved stories. I was born in an intellectual family, and was influenced by the culture of my motherland since childhood. In many ancient literary works and poems of our country, we can easily find mottos and epigrams which encourage people to make progress with hard effort and provide food for thought."

The interview, which lasted more than two hours, ended quickly, but Jiang Zemin satisfied Zuckerman's demands. The two had become friends by the time of their parting. Jiang Zemin hoped that he would visit China again and see Jiangsu's Yangzhou, if there were an opportunity.

Jiang Zemin advocates heart-to-heart talks among friends and comrades. In his talk at the Chinese Embassy in Korea, he said: I like the words "heart-to-heart talks." "Heart-to-heart talks" are more intimate and the atmosphere is also relatively amiable. Using the method of "holding dialogue" is somewhat like negotiations between two sides. The wording of "holding dialogue" between the Government and the students is inappropriate.

During the special plane's returning flight to Beijing, the reporters thought many things. They felt that the general secretary has showed good concern for them. When they tried to gather news on the activities of foreign guests, Jiang Zemin gave them good support and always asked staff members to create good conditions for reporters as much as possible, so that they could learn more about the

situation. Many reporters said that this was the greatest confidence in journalist workers.

The special plane landed at the airport in the capital. Party and state leaders on hand to greet Jiang Zemin shook hands with him and congratulated him on his successful visit. His four-year old grandson also happily greeted his grandfather with a bouquet. A photographer rushed forward to take a picture of this congenial scene.

Southeast Asia & Pacific

Thai Prime Minister Meets Li Guixian

OW1405091190 Beijing XINHUA in English
0610 GMT 14 May 90

[Text] Bangkok, May 14 (XINHUA)—Thai Prime Minister Chatchai Chunhawan met Li Guixian, state councillor and governor of the People's Bank of China, and his party, in Pattaya, the coastal city of east Thailand, on Sunday (May 13).

They exchanged views on maintaining the friendly relations between the two countries and the development of bilateral banking and economic cooperation.

It is learned that during the meeting, Chatchai noted that the Thai-Chinese relations have been good in recent years and that progresses have been made in bilateral investments, economic cooperation and exchanges in the field of science and technology.

According to source from Li's party, the Thai prime minister put forward some constructive suggestions on foreign currency remittance of foreign investors in China and Chinese investment in Thailand.

Li expressed appreciation of the positive attitude taken by the Thai Government during the just concluded 23rd annual meeting of the Asian Development Bank (ADB) in supporting the bank to resume credit business with China.

Li Guixian and his party arrived in Thailand on May 8 after attending the 23rd annual meeting of ADB in India. During their stay in Thailand, Li and his party inspected banks and financing agencies in the country and exchanged views with Thai banking circles on further expanding banking businesses between the two countries.

Li and his party leave here for home today.

International Thai Studies Conference Held

Opens in Kunming

OW1105220090 Beijing XINHUA in English
1506 GMT 11 May 90

[Text] Kunming, May 11 (XINHUA)—The Fourth International Conference on Thai studies opened here today.

Over 350 scholars from 17 countries and regions are participating in the three-day conference.

Presiding at the opening ceremony of the conference was Princess Kanlayaniwatthana, who came specially from Thailand for the conference.

Addressing the opening ceremony, Princess Kanlayaniwatthana said that the conference will provide the participants with opportunities to exchange their research findings and data, thus promoting international cooperation in this field.

In the past few years studies of all aspects of the Thai nationality and culture have been thriving in many countries around the world.

Conference Ends

OW1305201890 Beijing XINHUA in English
1547 GMT 13 May 90

[Text] Kunming, May 13 (XINHUA)—The fourth international conference on Thai studies closed here today.

More than 450 scholars and guests from 21 countries and regions participated in the conference. They presented over 130 papers.

Chen Lufan, chairman of the organizing committee of the conference, said at the closing ceremony that the conference has helped promote the Thai studies and paved the way for the expansion and deepening of international Thai studies.

Thai Defense Delegation Pays Goodwill Visit

Meets Xu Xin

OW1105122190 Beijing XINHUA in English
1128 GMT 11 May 90

[Text] Beijing, May 11 (XINHUA)—Gen. Xu Xin, deputy chief of the General Staff of the Chinese People's Liberation Army (PLA), here today met and feted Gen. Wanchai Ruangtrakun, permanent secretary of the Ministry of Defense of Thailand, and his party.

The Thai visitors arrived in Beijing yesterday to pay a goodwill visit to China at the invitation of China's Ministry of National Defense.

In a cordial conversation, the two generals said they were glad to see the development of the friendly relations between the two countries and the two armies in recent years.

Meets Qin Jiwei

OW1205112490 Beijing XINHUA in English
1100 GMT 12 May 90

[Text] Beijing, May 12 (XINHUA)—Gen. Qin Jiwei, Chinese state councillor and minister of national defense, met with Gen. Wanchai Ruangtrakun, visiting

Thai permanent secretary of the Ministry of Defence, and his party here this evening.

On behalf of the Chinese Ministry of National Defense, Qin extended a warm welcome to the Thai visitors. He said that he has many friends in Thai military circles and he hoped the good relations between the two countries and armies would keep growing.

After the meeting, Qin Jiwei gave a dinner in honor of the Thai guests.

Gen. Wanchai and his party will leave for Guilin and Shanghai after concluding their stay in Beijing tomorrow.

Meets Chi Haotian

*OW1305091390 Beijing XINHUA in English
0635 GMT 12 May 90*

[Text] Beijing, May 12 (XINHUA)—Gen. Chi Haotian, chief of General Staff of the Chinese People's Liberation Army, met with visiting Gen. Wanchai Ruangtrakun, permanent secretary of the Thai Ministry of Defense, and his party here at noon today.

Chi told the Thai guests that he had visited Thailand twice and the visits had left him a deep impression. He also praised friendship between the Chinese and Thai armed forces.

Wanchai hoped that the friendship between Thailand and China would grow in future.

After the meeting, Chi hosted a luncheon in honor of the Thai visitors.

Near East & South Asia

Egyptian President Husni Mubarak Continues Visit

Meets Yang Shangkun

*OW1105152090 Beijing XINHUA in English
1401 GMT 11 May 90*

[Text] Beijing, May 11 (XINHUA)—Chinese President Yang Shangkun met with Egyptian President Husni Mubarak here this afternoon.

Yang extended a sincere welcome to Mubarak for his fourth visit to China.

Yang said the domestic situation in China is better than it was when he was on a tour to Egypt at the end of last year. This was demonstrated by the eventual lifting of martial law in Beijing and Lhasa, he said.

He said that the number of people knowing the true picture in China are increasing. With overseas visitors coming here one after another, more and more foreigners will learn the real situation here.

Mubarak said Egypt and China and their peoples enjoy special and solid friendship. The exchange of visits and meetings between the leaders of the two countries was like between brothers.

Mubarak said China's stability is very important to Egypt. He said he and other Egyptians felt delighted to see the situation in China was stable.

Both leaders expressed satisfaction with the smooth development of bilateral relations.

The meeting took place in an amicable atmosphere. Yang recalled his visit to Egypt last December, and spoke highly of the gratifying achievements made by the Egyptian Government and people under the leadership of President Mubarak in developing the national economy and safeguarding world peace.

Yang expressed his appreciation of the outstanding contributions Mubarak has made as the chairman of the Organization of African Unity.

Prior to the meeting, Yang presided over a formal ceremony to welcome the Egyptian president.

Yang Hosts Banquet

*OW1105152490 Beijing XINHUA in English
1420 GMT 11 May 90*

[Text] Beijing, May 11 (XINHUA)—Chinese President Yang Shangkun said here today that the historical mission to maintain world peace and seek common development will bring China and Egypt even closer.

In his address at a banquet hosted for Egyptian President Husni Mubarak this evening, Yang said the friendly co-operation between the two countries has revealed wider prospects.

He said that President Mubarak is a respected friend of the Chinese people who has devoted great efforts to the promotion of Sino-Egyptian relations.

He said the international situation is witnessing important changes. Peace and development are still the two major issues for the world's people.

But regrettably, he added, there remain factors of instability leading to tension and turmoil in the international situation.

Especially, conflicts in some areas continue and the gap in wealth between the South and the North is widening, he added.

He noted that China will continue to pursue its independent foreign policy of peace no matter what changes take place in the international arena and will develop friendly relations with all countries in the world on the basis of the five principles of peaceful coexistence.

He said, "We are glad to see that the Arab countries have discarded their past differences and enhanced their unity in the present complicated situation."

He noted, "a trend of uniting for strength is growing. Egypt and the Palestine Liberation Organization, as well as other Arab countries, are overcoming various obstacles in an effort to promote peace process in the Middle East. And this has won wide sympathy and support," he said.

But the Israeli Government, disregarding the demand for peace from the people in the Middle East, including the Israeli people, has put new obstacles in the path of peace in the area, he said.

"That has brought a new factor of instability to the Middle East situation," he said.

He reiterated that the Chinese Government and people will, as always, stand firmly on the side of the Arab people and Palestinian people, and stand for a complete and fair solution to the Middle East issue through political means so as to achieve the goal of the state of Palestine and Israel recognizing each other and the Arab and the Jewish people coexisting peacefully.

Yang also stressed that it is a basic point of China's foreign policy to enhance friendly relations and co-operation with Arab, African and other Third World countries.

In reply, Mubarak said that, in promoting co-operation among the people of various Asian, African and other Third World countries, the Chinese and Egyptian peoples shoulder special responsibilities. "Therefore, we are looking forward to further strengthening unity and co-operation between our two countries and peoples," he added.

He said that he and Yang shared identical views on international and regional issues when they met in Cairo last December. "The situation has undergone a series of new changes since that meeting, and we should analyze and assess them so as to make our common understanding keep abreast with these changes which have a direct or indirect bearing upon us," he added.

He said China has always followed Middle East issues with interest and always hoped for the maximum unity of the Arab nations.

Likewise, he said, Egypt will, as always, join China in following Asian affairs with interest and do its best to contribute to solving disputes among Asian countries.

High-ranking Chinese officials, including Wu Xueqian, Chen Muhua, Wang Bingqian, Chen Xitong and Qian Qichen, as well as Mubarak's entourage were present at the banquet, which was held at the Great Hall of the People.

Meets Jiang Zemin

OW1205083290 Beijing XINHUA in English
0757 GMT 12 May 90

[Text] Beijing, May 12 (XINHUA)—Jiang Zemin, general secretary of the Central Committee of the Chinese Communist Party, called Egyptian President Muhammad Husni Mubarak "a respected, old friend of the Chinese people" when the two leaders met here this morning.

Jiang said Mubarak is one of the outstanding leaders in the Third World and has devoted great efforts to enhance the unity and friendly cooperation among the Third World countries and made great contributions to the development of friendly Sino-Egyptian relations.

Mubarak said Egypt values its friendship with China and said China plays an important role in the Third World.

Jiang stressed that China and Egypt had experienced the same sufferings in the past and are now facing the common mission to maintain world peace and develop their economies under a current international situation characterized by drastic changes.

He said the further development of friendly relations and cooperation between the two countries will benefit the interests of the Chinese and Egyptian peoples and will also be conducive to the promotion of world peace.

Under the present world situation, Jiang said, the strengthening of unity and cooperation between Third World countries is all the more necessary.

China has always pursued an independent foreign policy of peace based on the five principles of peaceful coexistence, he added.

Jiang said that some people in the West have gone so far as to maintain that the rapid growth of science and technology and the increase in matters concerning interstate relations have made the term "non-interference in each other's internal affairs" obsolete. "We cannot agree with this," Jiang stressed.

Jiang said there is a strict distinction between the external links of different countries and their internal affairs and that the question of what system a country should take is decided by its historical development and its people, and allows no external interference.

Mubarak briefed Jiang on the situation in the Middle East.

Jiang said the Chinese Communist Party, the Chinese Government and people have always followed with interest the development of the situation in the Middle East, and are willing to join the relevant parties of the Middle East to contribute to solving the Middle East issue in a peaceful way.

He also spoke highly of Mubarak's unremitting efforts for a peaceful solution to the Middle-East issue.

Jiang welcomed Mubarak to visit China again in the future.

Chinese State Councillor and Minister of Finance Wang Bingqian and Foreign Minister Qian Qichen as well as leading members of Mubarak's entourage were present at the meeting.

Meets Li Peng

*OW1205125490 Beijing XINHUA in English
1217 GMT 12 May 90*

[Text] Beijing, May 12 (XINHUA)—Chinese Premier Li Peng held formal talks with Egyptian President Mubarak at the Great Hall of the People this afternoon following their private talk this morning.

Li said, "This is our second meeting since we met in 1986 in Egypt."

He added, "On behalf of the Chinese Government and people, I warmly welcome you to China."

Mubarak said that it is always a pleasure for him to visit China, because the Chinese people are honest and sincere toward others.

Li and Mubarak had a wide and in-depth exchange of views on the current international situation and they reached identical or similar views.

Mubarak reviewed the development of the friendly relations between the two countries. He said that since his first visit to China in 1976 Egyptian-Chinese relations have entered a new phase.

He stressed that the friendly relations between Egypt and China are not merely significant for the two nations, but also show the smooth development of the relations between China and all Arab countries.

Li said that the friendly relations between the two countries are firm and there are frequent exchanges of visits between the top leaders of the two countries.

He said that Chinese President Yang Shangkun's visit to Egypt last December was a complete success.

Mubarak briefed Li on the latest developments in the situation in the Middle East. Li said the Chinese Government has always followed closely the situation in the Middle East and supported the just struggle of the Palestinian people.

"We welcome the development in recent years of the trend toward seeking a political solution to the Middle East question, and the Chinese Government firmly supports a just, comprehensive and peaceful solution to this question," he added.

Li said the fact that the Israeli authorities have recently settled a large number of Jews of foreign nationality on

occupied Arab land has aroused anxiety and a strong reaction from the Palestine Liberation Organization and the Arab nations.

He said the Chinese Government is deeply concerned about this and resolutely opposes Israel's settlement of these Jewish immigrants on the West Bank of the Jordan River, in the Gaza Strip and other occupied Arab land, as this runs counter to the norms of international law and creates new obstacles to the peace process in the Middle East.

Mubarak invited Li to visit Egypt. Li thanked him for this and accepted the invitation.

The talks proceeded in a very friendly and warm atmosphere.

In the evening, Premier Li and his wife hosted a dinner for President Mubarak and his wife.

Egyptian Official Views Talks

*NC1205161290 Cairo MENA in Arabic 1410 GMT
12 May 90*

[Excerpt] Beijing, 12 May (MENA)—Dr. Usamah al-Baz, director of the President's Office for Political Affairs, has stated that, during the intensive talks held throughout the day, President Husni Mubarak and the PRC leaders discussed various topics. They began by reviewing bilateral issues and their special and distinguished ties which are steadily growing. Al-Baz said that agreement has been reached on increasing the volume of trade, instituting direct flights between Cairo and Beijing, which will begin in the near future, and increasing exports of Egyptian goods to the PRC markets. He noted that the opening of a new air route between Cairo and Beijing will augment trade because a large amount of international trade is shipped by air. Agreement has also been reached on granting additional facilities to exporters in both countries.

Al-Baz stated that, on the political level, the stands of both countries have moved closer and the position of the PRC is similar to ours on many regional and international issues. He pointed out that, in addition to bilateral ties, they discussed regional issues, primarily the Middle East problems and the two basic African issues; namely, the debts issue and the fight against racial discrimination in southern Africa. In addition, they reviewed the general international situation, detente between the two superpowers and its effects on East-West relations, the situation in Eastern Europe, and prospects of closer ties between the Eastern and Western European countries as these countries approach a unified Europe.

Al-Baz said that the outcome of the Egyptian-PRC meetings demonstrate that both countries welcome all forms of international detente and consider it a positive phenomenon, because they benefit from it. It has become clear, al-Baz said, that both countries believe that Third World participation in the dialogue between the two superpowers and Eastern and Western European

countries is vital. He said that such participation is vital because we want the international dialogue to take a broader geographical and strategic character; hitherto it has been confined to the ties between the United States and the Soviet Union, Western and Eastern Europe, or between the Warsaw Pact and NATO. He said: We believe that our participation in the dialogue is vital because we have interests that we want the dialogue to promote. We must take part in this dialogue so that it may serve our interests, as there are regional issues the discussion of which we do not want to delay. He noted that the current problems are the Middle East problem and certain Asian and African issues. He stated: It is necessary that these issues be discussed in our presence because we have our own views, options, and alternatives to set forth in the dialogue. He expressed his belief that the expansion of the dialogue would enrich rather than hamper it. He noted that there are certain regional problems that have not been discussed by the two superpowers. He said: We do not seek to mar or delay the ongoing dialogue among the big powers; rather, we want it to succeed and we want the Third World countries to benefit from it as much as the big powers. [passage omitted]

Reception Held for Mubarak's Wife

OW1205192190 Beijing XINHUA in English
0530 GMT 12 May 90

[Text] Beijing, May 12 (XINHUA)—Chen Muhua, vice-chairwoman of the Standing Committee of the National People's Congress and president of the All-China Women's Federation, met and hosted a reception for the Egyptian first lady, Mrs. Mubarak, here this morning.

Peng Peiyun, minister of the State Family Planning Commission, and Lin Liyun, vice-president of the All-China Women's Federation, were present at the meeting and the reception.

Meets Deng Xiaoping

OW1305121990 Beijing XINHUA in English
1208 GMT 13 May 90

[Text] Beijing, May 13 (XINHUA)—Deng Xiaoping met visiting Egyptian President Hosni Mubarak as his old friend at the Great Hall of the People here today.

Deng, in a light gray suit, greeted Mubarak and his party at the Gate of the Fujian Hall. Deng and Mubarak warmly shook hands and hugged each other.

Mubarak said, "We are very delighted to meet you, an old friend of Egypt."

"Thank Allah, you enjoy good health. I wish you a long life," Mubarak said.

Deng said, "Since my retirement I have not met visitors. But it is not good for me not to meet a few old friends."

Mubarak agreed, saying that he met Deng as a friend rather than a guest.

He said that they have deep respects for Deng and he was pleased to learn that he could see Deng after he arrived in Beijing.

Meeting With Deng Viewed

HK1305040890 Hong Kong AFP in English
0358 GMT 13 May 90

[Text] Beijing, May 13 (AFP)—Chinese leader Deng Xiaoping, unseen in public since February, met Sunday with Egyptian President Hosni Mubarak, Chinese officials said.

The closed-door meeting took place in the Great Hall of the People, the seat of parliament, they said. Foreign reporters, usually allowed to cover the hand shaking ceremony, were refused entry to the hall.

The Chinese Foreign Ministry denied Friday rumors emanating from Japan and Taiwan that the 85-year-old Mr. Deng was dead.

President Yang Shangkun meanwhile said Sunday before leaving for a five-nation Latin American tour, that Mr. Deng was in good health, often playing bridge and having regular meetings with government leaders.

"Deng Xiaoping has enjoyed very good health," he told reporters. "As you know he has already retired and does not hold any party or state posts anymore. So it is only natural for you to hear very little about him."

"In fact, the present leaders of central government are meeting him very often in various places," Mr. Yang added.

"You know that he likes playing bridge. He does play, he has never stopped. Because he very seldom makes public appearances, that is the reason why there are speculations," he said.

Mr. Yang, who starts his Latin American tour in Mexico, stressed that Mr. Deng met "as an old friend" with Mr. Mubarak, who arrived here Friday for his fourth visit to China. The Egyptian president left Sunday for North Korea.

An official said Friday that Mr. Deng swims and plays with his grandchildren regularly.

Mr. Deng last appeared in public on February 17 when he met and later posed for a photograph with drafters of Hong Kong's Basic Law, a mini-constitution for the British colony after it reverts to Chinese rule in 1997.

He appeared in good health, although he has become more hard of hearing in recent months and has also had some problems slurring his words.

Leaves Beijing for Pyongyang

OW1305061990 Beijing XINHUA in English
0540 GMT 13 May 90

[Text] Beijing, May 13 (XINHUA)—President of the Arab Republic of Egypt Hosni Mubarak and his wife wound up their official goodwill visit to China and left here for Pyongyang this noon.

Among those present at the airport to see the distinguished Egyptian guests off were Wang Bingqian, Chinese State Councillor and Minister of Finance, Lin Liyun, vice-president of the All-China Women's Federation, and Zhan Shiliang, Chinese ambassador to Egypt.

Egyptian Ambassador to China Badr Hammam, diplomatic envoys of Arab countries and some African countries to China, and Chu Chang-chun, ambassador of the Democratic People's Republic of Korea to China, were also present at the airport.

Wan Li Concludes Middle East Tour, Returns Home**Meets Embassy Officials in Tehran**

OW1105135590 Beijing XINHUA Domestic Service
in Chinese 1147 GMT 9 May 90

[Text] Tehran, 9 May (XINHUA)—Wan Li, chairman of the Chinese National People's Congress (NPC) Standing Committee, paid a visit to the Chinese Embassy personnel and representatives of the Tehran offices of Chinese corporations at the Chinese ambassador's residence here today.

Wan Li shook hands with each of them and had a photo session. He cordially told them: "You comrades have been working hard!"

Wan Li went to the Chinese ambassador's residence after a meeting with Iranian President Rafsanjani.

Iraqi Visit To Promote Cooperation

OW1205142990 Beijing XINHUA in English
1349 GMT 12 May 90

[Text] Baghdad, May 12 (XINHUA)—Taha Yasin Ramadan, Iraqi first deputy prime minister, said today that the current visit of Wan Li, chairman of China's National People's Congress (NPC) Standing Committee, will promote cooperation in various fields between Iraq and China.

The deputy prime minister made the remarks here when meeting with the Chinese Parliament leader.

Ramadan told the Chinese guest that President Saddam Husayn had paid much attention to the development of the bilateral relations, adding that Iraq and China should tap new methods to strengthen their cooperation.

Wan Li said that the Third World nations should strengthen their solidarity and cooperation.

On the current situation in China, Wan Li noted that China enjoys better conditions and environment for economic development.

Ramadan stressed that no nation can achieve economic development without stability.

The two leaders also exchanged views on the international issues.

Wan Li arrived in Baghdad on a three-day official visit on Wednesday.

Ends Visit to Iraq

OW1305023590 Beijing XINHUA in English
2354 GMT 12 May 90

[Text] Baghdad, May 12 (XINHUA)—Wan Li, chairman of the Standing Committee of the Chinese National People's Congress, left here this evening for home after winding up his three-day official visit to Iraq.

In a written statement issued at Baghdad airport before his departure, Wan Li said that his visit to Iraq is successful.

During the visit, Wan Li held talks with Iraqi President Saddam Husayn, First Deputy Prime Minister Taha Yassin Ramadan and Speaker of the Iraqi National Assembly Saadi Mehdi Saleh separately and discussed the situation in the region and international developments and bilateral relations.

Wan said, "I am optimistic about the future cooperation in various fields between the Chinese National People's Congress and the Iraqi National Assembly."

Wan Li was seen off at the Airport by Speaker of the Iraqi National Assembly Saleh, Charge d'Affaires of the Chinese Embassy Wen Zhaoxiang and other Iraqi and Chinese officials.

During the visit, Wan Li and his delegation visited the Iraqi National Museum and Sindiya Dam built with Chinese aid and they also toured the Iraqi famous scenic site of Babylon.

Wan Li arrived here on May 9 at Saleh's invitation on the last leg of his three-nation tour which had taken him to Pakistan and Iran.

Returns After Goodwill Visits

OW1305082690 Beijing XINHUA in English
0714 GMT 13 May 90

[Text] Beijing, May 13 (XINHUA)—Wan Li, chairman of the Standing Committee of China's National People's Congress (NPC), returned to Beijing today after his official goodwill visit to Pakistan, Iran and Iraq.

Among those present at the airport to meet Wan and his party were Vice-Premier Yao Yilin, Vice-Chairmen of

the NPC Standing Committee Xi Zhongxun and Peng Chong and the envoys of Pakistan, Iran and Iraq in Beijing.

Li Peng Stresses Support for Palestinian People

OW1105123190 Beijing XINHUA in English
1202 GMT 11 May 90

[Text] Beijing, May 11 (XINHUA)—Chinese Premier Li Peng met with and gave a banquet for President Yasir 'Arafat of the State of Palestine and his party here this evening.

'Arafat and his party are passing Beijing after a visit to the Democratic People's Republic of Korea (DPRK).

During the meeting, Li and 'Arafat exchanged views on the current international situation, the situation in the Middle East and the Palestine issue.

'Arafat gave a brief account of the latest developments of the Mid-East situation. And Li restated China's consistent position of supporting the just cause of the Palestinian people.

Chinese Vice Foreign Minister Yang Fuchang greeted 'Arafat at the airport today and yesterday as the Palestinian president stopped over here on his way to and from DPRK.

Bangladesh Investment Forum To Be Held in Dhaka

Meeting Previewed

OW1005233390 Beijing XINHUA in English
0743 GMT 10 May 90

[Text] Dhaka, May 10 (XINHUA)—A three-day Bangladesh-China investment forum will open here on Saturday, aimed at identifying prospective areas for joint ventures, according to local press reports today.

The forum is being held in pursuance of the decision taken during the last meeting of Bangladesh-China Joint Economic Commission in Beijing in 1989.

A high level 70-member Chinese team representing 12 enterprises and about 200 entrepreneurs from Bangladesh will be participating in the forum. The forum, organized jointly by the Bangladesh Ministry of Industries and the Small and Cottage Industries Corporation, will be inaugurated by Vice-President in charge of the Ministry of Industries M. Ahmed.

The Chinese Team will meet senior government officials and discuss possibilities for setting up joint venture separately with members of the Dhaka Chamber of Commerce and Industry and the Metropolitan Chamber of Commerce and Industry, the reports said.

1990 Forum Opens

OW1205180590 Beijing XINHUA in English
1552 GMT 12 May 90

[Text] Dhaka, May 12 (XINHUA)—Bangladesh Vice-President Moudud Ahmed today called for greater South-South cooperation while inaugurating a three-day "Sino-Bangladesh Investors Forum-1990" here.

The forum is intended to facilitate collaboration between the two countries in different industrial fields. A 16-member Chinese delegation is here for the forum and discussions with Bangladesh entrepreneurs for investment in this country.

The delegation representing various Chinese corporations has placed several proposals for investment in areas like electrical accessories, electronic toys, salt refinery and television set picture tubes.

The vice-president in charge of the Ministry of Industries lauded the forum, first of its kind, and expressed the hope that such cooperation between the two countries would immensely help further strengthen bilateral ties.

The vice-president said the government's efforts towards fast economic growth had lowered the percentage of agriculture in gross domestic product from 65 percent to 48 percent, marking a gradual change from agrarian economy to industrial one.

The opening ceremony of the forum was followed by a presentation on the investment environment by the chairman of the Small and Cottage Industries Corporation.

The Chinese delegation held detailed talks with Bangladesh entrepreneurs on various aspects of investment here.

Delegation Meets Bangladeshi President

OW1405103890 Beijing XINHUA in English
1001 GMT 14 May 90

[Text] Dhaka, May 14 (XINHUA)—The visiting Chinese industrial delegation called on Bangladesh President H.M. Ershad here today.

During the meeting the president told the delegation that their visit would further cement the existing friendly and cordial relations between Bangladesh and China.

The president noted that China had been investing on an equal footing with the private sector investors in Bangladesh.

The Bangladesh-China Investor's Forum and the visit of this delegation are the outcome of the president's last visit to China.

The delegation members said they were highly satisfied about the incentive package being offered by the Bangladesh Government to the foreign investors.

71 participants representing 13 corporations from China came here to attend a three-day Bangladesh-China investor's meeting of forum to be concluded today. 200 private investors from Bangladesh took part in the meeting of the forum.

Understanding on about 50 project-proposals has been reached between the Chinese delegation and the Bangladesh private investors during the last two days of the meeting.

UAE President Concludes Visit

*OW1305142290 Beijing XINHUA in English
1336 GMT 13 May 90*

[Text] Shanghai, May 13 (XINHUA)—Shaykh Zayid Bin-Sultan Al Nuhayyan, president of the United Arab Emirates (UAE), and his party wound up their official and goodwill visit to China and left Shanghai by air today.

Before his departure, Zayid said that his visit has promoted the bilateral relations and cooperation in various fields between his country and China. He expressed the hope that he could have a chance to visit China again.

The president was seen off at the airport by Gao Dezhan, chairman of the Chinese Government Reception Committee and minister of Forestry, Zhu Rongji, mayor of Shanghai, and others.

Indian Foreign Minister To Visit 'Soon'

*OW1305114690 Beijing XINHUA in English
1131 GMT 13 May 90*

[Text] New Delhi, May 13 (XINHUA)—Indian External Affairs Minister I.K. Gujral will visit China soon to promote and strengthen friendly relations with Beijing, Prime Minister V.P. Singh said today.

Prior to this, a delegation will go to China next month, Singh told reporters on board an Indian Air Force plane while returning from a three-day tour of the southern states of Andhra Pradesh and Karnataka and the western state of Maharashtra.

Singh was quoted by the PRESS TRUST OF INDIA as saying that the delegation's visit is a sequel to the recent meeting of the India-China working group on bilateral relations.

On Indo-Nepalese relations, Singh said both countries had taken positive steps toward improvement of the traditional friendly ties and the Indian Government hoped that these would produce positive results.

Referring to the move of Pakistan Prime Minister Benazir Bhutto to send envoys abroad to press for plebiscite in Kashmir, Singh said the Indian Government had already taken steps to counter the Islamabad action.

"We contacted many countries in this direction and the response has been tremendous", he said.

"Besides, a number of countries have appreciated India's stand on Kashmir that the problem should be tackled in letter and spirit of the Simla agreement," Singh added.

Delegation Meets Libyan Official in Tripoli

*OW1305223090 Beijing Domestic Service in Mandarin
1600 GMT 13 May 90*

[From the "International News and Current Events" program]

[Text] Ibrahim (Sishamu), assistant secretary of the General People's Congress of Libya, met with a delegation of the Chinese People's Association for Friendship With Foreign Countries, headed by Han Xu, its president, in Tripoli on 11 May. In a friendly atmosphere, the host and guest exchanged views on bilateral relations, China's relations with Arab countries, and the international situation.

The delegation arrived in Libya on 9 May.

Li Tieying Meets Sudanese Sports Delegation

*OW1205105690 Beijing XINHUA in English
0933 GMT 12 May 90*

[Text] Beijing, May 12 (XINHUA)—Chinese State Councilor Li Tieying met today with a Sudanese sports delegation in the Great Hall of the People.

The Sudanese guests arrived here on May 10 at the invitation of the Chinese Physical Culture and Sports Commission.

Chinese Sports Minister Wu Shaoyu met the delegation yesterday.

Sub-Saharan Africa

Sun Qimeng Meets Guinea Cultural Delegation

*OW1205082290 Beijing XINHUA in English
0714 GMT 12 May 90*

[Text] Beijing, May 12 (XINHUA)—Sun Qimeng, vice-chairman of China's National People's Congress Standing Committee, met here today with a government cultural delegation from Guinea, which is led by Minister of Information, Culture and Tourism Herve Vincent Bangoura.

Government Signs Joint Agreement With Mali

*OW1205081290 Beijing XINHUA in English
0147 GMT 12 May 90*

[Text] Beijing, May 12 (XINHUA)—An agreement on a special loan provided by the Chinese Government to the Government of Mali was signed here today.

It was signed by Secretary-General of the State Council of China Luo Gan and Secretary-General of the Presidency of Mali Django Cissoko.

Ending his visit in Beijing today, Cissoko will continue his tour of China in Guangzhou and Shanghai.

West Europe

Former Turkish President Evans Views Relations

OW1105212590 Beijing XINHUA in English
1410 GMT 11 May 90

[By Xu Wenqun]

[Text] Istanbul, May 11 (XINHUA)—Turkish former President Kenan Evren said today that China attaches great importance to developing relations with Turkey and both countries desire to further develop their existing good relations.

Evren told reporters at Istanbul International Airport that both sides desire to strengthen their cooperation in the economic, cultural and scientific fields.

Evren, 72, was in China for a week. He had talks with Chinese leaders and visited several Chinese cities.

The close cooperation between Turkey and China will benefit the people of the two countries, said Evren, adding, "I will be very happy if my visit this time contributes to this end."

Evren, who quit presidency last November, said that China has changed much since his first visit there in 1982. He said he found the developments of Guangzhou and Shenzhen most impressive.

Guangzhou has long been one of China's most developed cities while Shenzhen is a special economic zone that boomed in the last few years. Both cities sit on the south end of the country.

Latin America & Caribbean

Yang Shangkun Begins Latin American Tour

Tour Previewed

OW1205181790 Beijing XINHUA in English
0039 GMT 12 May 90

["Roundup: Major Event in Sino-Latin American History"—XINHUA headline—by Zhao Zijian]

[Text] Beijing, May 12 (XINHUA)—Chinese President Yang Shangkun leaves tomorrow for a five-nation state visit to Mexico, Brazil, Uruguay, Argentina and Chile.

It is the first visit of its kind by a Chinese head of state to Latin America ever since the founding of the People's Republic of China, which therefore represents a major event in the history of Sino-Latin American relations.

Friendly exchanges and contacts between China and Latin America go back long in history. As early as in the fifth century, Buddhist believers from China sailed across the ocean to Mexico. About 400 years ago, through the "silk road on the sea" that linked China with Manila and Acapulco, Chinese silk and porcelain wares were shipped to Mexico, and silver, corn and tomato from there brought back to China. As for contacts between China and Brazil, their diplomatic relations were established in 1881.

Over the past 10 years or so, the development of relations between China and Latin America has picked up. China has already established diplomatic relations with 18 out of the 33 independent Latin American countries, which account for over 90 percent of the continent's total area and whole population.

Since China started to pursue the policy of reform and opening up to the world, its political, cultural and economic relations with Latin America have become ever closer.

The development of Sino-Latin American relations is featured by three important points:

Firstly, there has been a fairly frequent exchange of high-level visits between leaders of the two sides. Three presidents from Mexico, two each from Brazil and Argentina, and one from Uruguay and a total of six prime ministers from Latin America have visited China, and so have a number of Chinese leaders to Latin America. These visits have deepened mutual understanding and enhanced friendship between China and Latin American countries.

Secondly, China and many Latin American countries share common viewpoints on a number of international issues. They often speak a common language on issues like peace and development, opposition to hegemonism and power politics, and the seeking of a new international political and economic order. In the United Nations, China and some of the Latin American countries cast the same vote nine out of 10 times. All of these indicates that they have common interests, supporting each other in friendly cooperation.

Thirdly, economies of China and Latin American countries are complementary, and the bilateral trade between the two sides has expanded rapidly over the past decade, reaching over three billion U.S. dollars last year.

Taking Sino-Brazilian trade as an example, the trade value between the two sides stood at 17.4 million dollars in 1974, but last year it already reached more than one billion dollars. China's export to Brazil since 1980 has consistently exceeded that to markets such as France, Italy, Britain, Canada and Australia.

In addition to increased trade, China and some Latin American countries have stepped up their economic

cooperation in terms of joint ventures and other investment activities. They have also steadily developed their ties in high-tech fields.

During his visit, President Yang will hold talks with presidents of the five Latin American countries and meet with congressional and supreme court leaders of these countries in an effort to find new approaches and forms for further developing the friendly relations between the two sides.

President Yang will also meet leading industrialists and businessmen in the five countries to deepen mutual understanding and discuss with them how to further develop economic cooperation and trade between China and the five nations.

Mexico, Brazil, Uruguay, Argentina and Chile are fairly developed in economy among countries in Latin America. Their combined area, population and GNP account for over half of the totals of the whole Latin American region.

Each of the five countries is unique in a way: Mexico is well-known for its long history and civilization, Brazil for its vast expanse of land and rich resources, Uruguay and Argentina are envied for their abundant pasture and cattle herds and their developed agriculture and animal husbandry, and Chile for its copper production. Through cooperation and integration efforts together with other Latin American countries, the five countries have played increasingly important roles in international political and economic affairs.

It is expected that President Yang Shangkun's state visit to the five Latin American nations will bring into a new stage the relations of friendly cooperation between China and Latin American countries.

Liu Huaqiu Views Visit

OW1205051590 Beijing XINHUA in English
0131 GMT 12 May 90

[Text] Beijing, May 12 (XINHUA)—Chinese President Yang Shangkun's visit to five Latin American countries will be of "great and far-reaching significance" to the friendly cooperation between China and these countries, a high-ranking official said here today.

Yang will leave Beijing tomorrow for state visits to Mexico, Brazil, Uruguay, Argentina and Chile.

In an interview with XINHUA, Deputy Foreign Minister Liu Huaqiu said, "This is a great event in Sino-Latin American relations, for it will be the first visit of a Chinese head of state to Latin America since the founding of New China."

The deputy minister said President Yang will discuss new ways of further developing bilateral relations with the leaders of the five countries. He will also get acquainted with people in all circles to discuss expanding bilateral exchanges and cooperation.

Liu noted that Latin America is economically and culturally comparatively advanced in the Third World and is playing an increasingly important role in international affairs.

On the present state of relations and prospects for Sino-Latin American relations, Liu said China has established diplomatic relations with 18 Latin American countries, whose territories and populations make up more than 90 percent of the totals for all of Latin America. China has trade and non-governmental exchanges with other countries and regions on the continent.

He recalled that in the past 10 years, 10 Latin American heads of state and six premiers had visited China and Chinese leaders had also visited the continent.

He said China and Latin American nations share many common points. "We share similar positions and identical interests in building up a new international political and economic order, in safeguarding world peace and in promoting human progress. China and Latin America support each other and cooperate in international affairs."

He said Sino-Latin American trade relations are continuing to develop, with last year's trade volume reaching a record three billion U.S. dollars. China and Latin America also carry on fruitful cooperation in economics, culture, and science and technology.

"The prospects for Sino-Latin American relations are broad," the deputy minister said. "No matter how the international situation changes, China's policy of developing friendly cooperation with Latin America on the basis of the five principles of peaceful coexistence will not change."

Leaves Beijing, Notes Deng's Health

OW1305072890 Beijing XINHUA in English
0653 GMT 13 May 90

[Text] Beijing, May 13 (XINHUA)—Chinese President Yang Shangkun left here this morning by a special plane for Mexico, Brazil, Uruguay, Argentina and Chile on a state visit.

Yang was invited by the presidents of those five countries.

Before leaving, Yang told reporters that he was feeling happy to visit Latin America as Chinese head of state for the first time, adding "We have always attached importance to this visit and hope that the visit will be a complete success".

The friendly and cooperative relations between China and the Latin American countries, which are based on the five principles of peaceful coexistence, are in the interests of the peoples of these countries and of great significance to the strengthening of cooperation and

unity among the Third World countries and to the seeking for a new international political and economic order, he said.

Seeing Yang off at the airport were Chinese Premier Li Peng, Vice President Wang Zhen, Vice-Premier Yao Yilin, Liu Huaqing, vice-chairman of the Central Military Commission, Peng Chong, vice-chairman of the National People's Congress Standing Committee, Sun Xiaocun, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, and diplomatic envoys in Beijing from those five countries and the Soviet Union.

Accompanying Yang on his visit were Vice-Premier Wu Xueqian, Vice Foreign Minister Liu Huaqiu, Vice-Minister of Foreign Economic Relations and Trade Lu Xuejian and Special Assistant Gu Linfang.

Yang told reporters that he hoped to exchange views with leaders of the five countries on bilateral relations and current important world issues.

He expressed the belief that the visit will help promote exchange and cooperation between China and the five Latin American countries.

When asked on Comrade Deng Xiaoping's health, Yang said that Deng has enjoyed very good health, adding that it is natural to hear him very little either by newspapers for he is now retired and no longer assumes any party and state post.

He said that Deng, in his capacity as an old friend, is meeting with the visiting Egyptian President Mubarak this morning.

When asked on the question of the ship "Goddess of Democracy", Yang said that this radio ship is a means of propaganda of the so-called "Democratic Front in China" aimed at overthrowing the Chinese Government.

"We have always been opposed to the provision of assistance and support by any country, region, organization or individual to the action of this ship," he said.

China is resolutely opposed to the conduct of such subversive and illegal actions by means of broadcasting in the waters off China and in the high sea, the president said.

Further on News Conference

*OW1305143390 Beijing Television Service in Mandarin
1000 GMT 13 May 90*

[From the "National News Hookup" program]

[Text] [Video begins with Yang Shangkun, in glasses, emerging from a door in the airport, followed by his entourage, and walking toward a long table for the news conference. Caption across the screen reads "Yang Shangkun Leaves Beijing for Visit to Five Latin American States" by "reporters Ma Chihou (7456 6375 0683)

and Wang Jing (3769 2533)] [Announcer] President Yang Shangkun left Beijing by a special plane this morning for Mexico, Brazil, Uruguay, Argentina, and Chile on a state visit. President Yang Shangkun is making the state visit to the five countries mentioned above at the invitations of Mexican President Salinas, Brazilian President Collor, Uruguayan President Lacalle, Argentine President Menem, and Chilean President Aylwin. Prior to his departure, President Yang Shangkun met both Chinese and foreign reporters at the airport and answered their questions. President Yang Shangkun said:

[Begin Yang Shangkun] I feel very happy to visit the five Latin American countries as Chinese head of state for the first time. We have always attached very great importance to these visits and believe that it will be a complete success. [Video shows Yang Shangkun, now taking off his glasses and holding them in both his hands, reading from a manuscript with Wu Xueqian seated at his left side. Video alternates between Yang Shangkun speaking and reporters filming or taking notes]

[Announcer report over video] Yang Shangkun said: I look forward to holding talks with the leaders of the five states on the further expansion of bilateral relations and the international issues of common concern to us. I am also willing to cultivate the acquaintance of friends in both the government and every circle of the civilian sector and exchange views with them on expanding bilateral cooperation and contacts in all fields of endeavor. Meanwhile, I wish to take advantage of the opportunity offered by this visit to take a look for myself at the achievements scored by the five countries in their construction so that we may learn from the valuable experiences acquired by the five countries.

[Announcer] In reply to the question raised by a foreign reporter, President Yang Shangkun refuted rumors about Comrade Deng Xiaoping's health. [Video shows Yang wearing his glasses now] He said Comrade Deng Xiaoping has always been in very good health. Now some responsible comrades of the central authorities frequently meet him on a number of occasions. He has retired now and does not assume any party or state post. It is very natural that his activities are not reported in newspapers or other media.

[Video cuts to show Yang Shangkun walking toward the airplane and conversing with Wang Zhen, who held a walking stick in his right hand; with Li Peng and others accompanying them to the plane; before boarding the plane, shaking hands with Li Peng, Wang Zhen, and Yao Yilin standing nearest the plane. Video then shows Yang Shangkun standing on top of the ramp and waving goodbye to those on the tarmac who also waved back] [Announcer] Li Peng, premier of the State Council; Wang Zhen, vice president; Yao Yilin, vice premier of the State Council; Liu Huaqing, vice chairman of the Central Military Commission; Peng Chong, vice chairman of the National People's Congress Standing Committee; and Sun Xiaocun, vice chairman of the

National Committee of the Chinese People's Political Consultative Conference were at the airport to see him off.

Accompanying Yang Shangkun in his trip abroad were Wu Xueqian, vice premier of the State Council; Liu Huaqiu, vice minister of the Ministry of Foreign Affairs; Lu Xuejian, vice minister of the Ministry of Foreign Economic Relations and Trade; and Gu Lin, special assistant.

Among those who also came to the airport to see Yang Shangkun off were Luo Gan, secretary general of the State Council; Tian Zengpei, vice foreign minister; Shen Jueren, vice minister of the Ministry of Foreign Economic Relations and Trade; and the diplomatic envoys in China from Mexico, Brazil, Uruguay, Argentina, Chile, and the Soviet Union.

Zhu Rongji Meets Ecuadoran Foreign Minister

*OW1305101290 Shanghai City Service in Mandarin
0900 GMT 8 May 90*

[Text] This morning, Mayor Zhu Rongji met with Zegers Cordovez, minister of foreign affairs of the Republic of Ecuador, at the Hanshan Guesthouse. The two sides held

a cordial conversation on issues of mutual interest pertaining to politics and economics.

Cordovez is on an official visit to China at the invitation of Foreign Minister Qian Qichen and arrived in Shanghai yesterday afternoon.

Yesterday evening, Vice Mayor Zhuang Xiaotian hosted a banquet in honor of the Ecuadoran guest at the Jiujiang Hotel.

Liao Hansheng Meets Trinidad, Tobago Group

*OW1105192590 Beijing XINHUA in English
0053 GMT 11 May 90*

[Text] Beijing, May 11 (XINHUA)—Vice-Chairman of the Standing Committee of the National People's Congress Liao Hansheng met a delegation from the Trinidad and Tobago-China Friendship Association led by its Chairman Claude Lynton Assing here today.

The delegation has been here to study China's open and reform policy and domestic situation at the invitation of the Chinese People's Association for Friendship With Foreign Countries.

Political & Social

Deng Xiaoping Appearance Refutes Death Rumors

HK1405011590 Hong Kong SOUTH CHINA
MORNING POST in English 14 May 90 pp 1, 8

[By Seth Faison in Beijing]

[Text] Senior leader Mr Deng Xiaoping reappeared yesterday after a three-month absence from public view and put an end to widespread rumours that he was seriously ill or even dead.

Meeting Egyptian President, Mr Hosni Mubarak, a health-looking Mr Deng joked about the mistaken reports, which on Friday caused the Hong Kong and Tokyo stock markets to fluctuate sharply.

The hour-long meeting was closed to the Western media and its contents were not disclosed, but Chinese and Egyptian reporters who attended a photo session said Mr Deng, 85, walked unaided and appeared fit except for his usual stiffness and hearing problem.

Diplomats in Beijing were puzzled by the rumours, which appeared to have originated outside China and drew swift denials from China's Foreign Ministry.

Mr Deng's last public appearance was with Hong Kong Basic Law drafters in Beijing on February 17 and previous long absences from public view have sparked speculation about his death—an event which is expected to provoke a deep power struggle.

Some diplomats were surprised early this month when Mr Deng failed to meet Mr Punsalmaagiyn Ochirbat, the first Mongolian president to visit Beijing in 28 years, but there were no specific reports that the senior leaders was ill.

The man most likely to succeed Mr Deng as China's most influential leader, the President, Mr Yang Shangkun, made comments yesterday before leaving China to visit five Latin American nations.

Describing Mr Deng as "very healthy", Mr Yang said the officially-retired patriarch had seen the Egyptian leader in a private capacity, even though the meeting was held at the Great Hall of the People.

But Mr Yang added that Mr Deng still met China's other leaders "very often in various places" and was active at his usual hobbies.

"He likes playing bridge," Mr Yang said.

"He is still playing bridge. He has never stopped playing bridge."

In a break with precedent, the NEW CHINA NEWS AGENCY (NCNA) did not immediately report Mr Deng's meeting with the Egyptian leader.

Although the agency released a photograph of Mr Deng smiling and shaking hands with Mr Mubarak, there was no mention of the meeting on state television evening news.

Mr Mubarak left Beijing later yesterday for North Korea.

While in Beijing, the Egyptian leader also met the party General Secretary, Mr Jiang Zemin, and the Prime Minister, Mr Li Peng, to discuss the Middle East situation and the re-scheduling of a U.S.\$70 million (HK\$546 million) debt that Egypt owes China for military purchases.

Mr Deng officially retired last November, when he stepped down from the chairmanship of the party's Central Military Commission and was lauded in China's official press for his decades of service to the Communist Party.

At the time, Mr Deng pledged only to meet foreign leaders in non-official settings, but within one week he had broken the promise.

In September, he told a small group of top officials that they should not listen to him if he said "crazy things" as he got older and became "less clear-headed."

His last official post was formally relinquished in March at the National People's Congress.

Meanwhile, in what may have been an attempt to counter reports that another senior leader, Mr Chen Yun, was near death, the NCNA reported yesterday that a message from the 85-year-old hard-liner was received at a memorial ceremony in Shandong Province.

The rivalry between Mr Deng and Mr Chen, who is chairman of the Central Advisory Commission, is believed to have flared anew in recent months.

Yang Shangkun Questioned on Deng, Radio Ship

HK1405022390 Beijing ZHONGGUO XINWEN SHE
in Chinese 0854 GMT 13 May 90

[Report by correspondent Wei Xiang (0251 5046): "Yang Shangkun Answers Reporters' Questions at Beijing Airport Before Starting Visit—ZHONGGUO XINWEN SHE headline"]

[Text] Beijing, 13 May (ZHONGGUO XINWEN SHE)—Fifty minutes before Deng Xiaoping met with President Husni Mubarak this morning [13 May], resident foreign journalists in Beijing were still asking Yang Shangkun about the whereabouts of Deng Xiaoping. At a press conference given by Yang Shangkun before boarding a plane to make a visit, a Japanese journalist asked Yang Shangkun: "We have not seen Deng Xiaoping in the last few months. You must have very good relations with him. Will you, President Yang, please say something about his health and where you saw him last?" After listening to the question, he replied with a smile: "Mr. Deng Xiaoping has always been in good

health. As everybody already knows, he has retired. That is why you seldom read about his activities in the newspapers. This is completely natural."

He said: "Some responsible persons of the central authorities have met with him frequently on various occasions. As everybody knows, he is fond of playing bridge. He is still playing bridge as usual and has never stopped doing so."

Yang Shangkun held: "As Deng Xiaoping has made few public appearances, there are a good many speculations about him abroad."

He said: "Yesterday I read a news account from a Hong Kong newspaper saying that he had died."

This remark of Yang Shangkun caused laughter from among the journalists at the conference.

"Incorrect news can be laid bare by correct news." Looking at his wrist watch, he said to the foreign journalists: "At 1000 am, he will meet with President Mubarak as an old friend rather than as a leader."

In contrast to the way he answered this relatively relaxed question, when answering the question raised by a REUTERS reporter about the "Goddess of Democracy" radio ship, Yang Shangkun solemnly stated the Chinese Government's uncompromising stand on the issue.

Yang Shangkun said: "The radio ship is a tool of subversion of the so-called 'Federation for Democracy in China.' It aims at subverting the Chinese Government."

He stressed: "China firmly opposes the provision of assistance or conveniences in any form to the ship by any countries, organizations, or individuals and firmly opposes the subversive activities carried out by the ship in China's coastal waters and nearby high seas."

The press conference lasted for 15 minutes. After answering these two questions, Yang Shangkun made an obeisance by cupping one hand in the other before his chest and expressed his thanks to the foreign journalists present and then left Beijing for a visit to five Latin American countries on a special plane.

Further Reportage on Jiang Zemin's Speech

Speech To Be Published

OW1305101190 Beijing XINHUA Domestic Service in Chinese 0445 GMT 10 May 90

[Text] Beijing, May 10 (XINHUA)—The speech delivered by Comrade Jiang Zemin, general secretary of the CPC Central Committee, at a report meeting held by youths in the capital to commemorate the May 4th Movement, entitled "Patriotism and the Mission of the Chinese Intellectuals," will soon be published in book form by the People's Publishing House and sold by XINHUA Bookstores in various parts of China. The

speech will also be published in Mongolian, Tibetan, Uygur, Kazak, and Korean languages.

Young Scientists Discuss Speech

OW1405022590 Beijing XINHUA Domestic Service in Chinese 1051 GMT 4 May 90

[Text] Beijing, 4 May (XINHUA)—At a discussion held by the party committee and the Communist Youth League [CYL] Committee of the Chinese Academy of Sciences today, some representatives of young scientific and technical personnel freely discussed the significance of General Secretary Jiang Zemin's speech delivered at the meeting of youths in the capital held to mark the anniversary of the May 4th Movement. They said that it is necessary for young intellectuals to further define their responsibilities and mission so that they will never be unworthy of the heavy responsibilities entrusted to them by history.

Huang Weimin, a young assistant researcher of the Institute of Automation of the Chinese Academy of Sciences, said: I feel very encouraged by General Secretary Jiang's report. It enables this generation of young intellectuals to further define our responsibilities and mission. Our country now faces a crucial historical period of construction and development and is badly in need of a large number of qualified personnel. As a youth who is engaged in scientific work, I feel we must have the spirit of plain living and hard struggle as well as the spirit of willingness to dedicate ourselves. We must perform deeds that are closely geared to reality and that show that we carry out our work in a practical manner. This is the foundation for success in a career and is a powerful impetus for our country to become strong and prosperous. The report also particularly stresses the important position of intellectuals and affirms their role. I think it will greatly boost the morale among young intellectuals.

Gu Chaolin of the Institute of Geography of the Chinese Academy of Sciences, who won a second class scientist award, is a young person engaged in the economic geographical research. Associating the topic with the various practices relating to his own participation in urban regional planning, he said it is very important for young intellectuals to have in-depth contacts with reality and society as they grow up. Without in-depth contacts with reality and without a knowledge of how much they have learned and to what extent they can use their learning, young intellectuals will not be able to understand the national conditions of China. Only through continuous social practice can they find ample scope for their abilities.

Li Yanqing, a 25-year-old from the Institute of Zoology, went to work in a grass-roots unit soon after his graduation from the university. He has worked for two years on the Huanghuaihai Plain. He said: One cannot tell the national conditions of China by just looking at Beijing. Only through a tempering process in a grass-roots unit can one broaden horizons. I feel a young man must be

tempered under difficult circumstances as he grows up so that he may acquire a strong consciousness of participation and a pioneering spirit. The society must also provide conditions for youths to become qualified personnel and boldly promote and employ young intellectuals.

Wang Lin, secretary of the CYL Committee of the Chinese Academy of Sciences, said: The theme of General Secretary Jiang's report strikes home the essential problems facing youths. A great number of youths talk about patriotism now; however, many of them are at a loss as to how to love their country and what is the deep meaning of patriotism. General Secretary Jiang's report gives an unequivocal definition of patriotism and points out the direction for all patriotic young intellectuals to pursue.

Large Poster Showing Protest 'Results' Removed

HK1405111690 Hong Kong AFP in English
1112 GMT 14 May 90

[Text] Beijing, May 14 (AFP)—A poster showing results of a survey on whether students were willing to protest appeared last Wednesday at Beijing University before being ripped down, witnesses said Monday.

The "dazibao," or large character poster, recalled those that went up constantly at the university during the pro-democracy movement that was eventually crushed last June.

The poster purported to contain the results of a questionnaire circulated by masters' students.

Twenty percent of those polled said they would not join protests, 30 percent said they would, 49 percent said they had not decided, and one percent refused to comment.

As soon as the poster appeared, students rushed to copy the text or read it into tape recorders, as they did during the height of the protests in April and June.

Unidentified people suddenly ripped it down, the witnesses said.

On Friday another dazibao vanished in similar circumstances.

It was accompanied by the distribution of leaflets calling on Western countries to lift sanctions they imposed on China after the army crushed the democracy movement.

Although the request reflects the wishes of the government, some passages criticized repression and were reminiscent of those used by movement leaders last year.

'Inside Story' on Dissident Arrests Reported

HK1405062290 Hong Kong PAI HSING in Chinese
No. 215, 1 May 90 pp 9-11

[Article by Tang Ching (0781 7234): "Inside Story on Arrests of Wang Juntao, Chen Ziming, and Others"]

[Text] The DAILY WORLD and some Hong Kong newspapers reported toward the end of last year that well known Beijing pro-democracy leaders Wang Juntao and Chen Ziming and some 20 other pro-democracy figures were arrested by the CPC together with some members of Hong Kong rescue organizations. Since then, no news about them has been heard. The CPC neither confirmed nor denied the arrests. Although some pro-democracy personages have fled the mainland in turn—among whom were students, members of China Research Society for Restructuring Economic System, staff of the Sitong Company, and workers—no members of Wang Juntao and Chen Ziming's organization, which took shape during the "5 April Democratic Wall," fled. This organization was also the most important force in Tiananmen Square and had been engaged in the underground democracy movement for a long time. According to hearsay, the Wang-Chen organization suffered enormous losses this time and personnel from the Beijing Social, Political, and Economic Research Institute, of which Wang and Chen were head and deputy, were all arrested.

A Member of Wang Juntao's Organization Flees to the United States

When the exiting news that Chai Ling and Feng Congde had fled the mainland and arrived safely in Paris was still inspiring overseas Chinese, another heartening news report spread in New York circles showing concern for the pro-democracy movement, that a member of Wang Juntao's organization had finally fled the mainland and would arrive in the United States very soon.

The person (for the sake of safety and to protect those who rescued her she is called Miss A for short) was indeed a go-getter in the Wang Juntao organization. On the first day Miss A arrived in New York, one of my friends met with her. Some friends were well acquainted with her in the Square. When meeting her in a foreign country all they could do was shake her hands firmly and stare at her. Her eyes glistened with the hardship of having a narrow escape, gratified relief, and mixed blessings. Her appearance was so overwhelming that it choked their utterances. All they could say was: It is marvelous that you have fled.

She had fled the mainland after hiding in Beijing for seven solid months, so she knows many things which happened there and is quite reliable.

Wang Juntao Was Trapped Into Being Arrested at Changsha Railroad Station

At her public appearances many people asked her how Wang Juntao and Chen Ziming were arrested. She said overseas newspapers carried the report that Wang Juntao and Chen Ziming were arrested together with some 20 other pro-democracy figures. This was not true. Wang and Chen fled in two different directions and were finally arrested in two different places and not with other pro-democracy figures.

"Juntao hid in Beijing for a while following the 4 June incident. With the situation getting tense, he finally decided to go south in an attempt to establish contact with overseas rescue organizations. However, we lost contact with him soon after his departure from Beijing and were even unaware of his whereabouts. We eventually knew about his arrest in Beijing from a restricted bulletin circulating within the provincial and army levels which noted that Wang Juntao, an evil backstage manipulator of the rebellion, had been captured. The restricted bulletin also disclosed that Juntao fled to Changsha, the capital of Hunan Province. There he failed to get in touch with members of the local student movement. He felt quite hopeless and made a trunk call to a Hong Kong rescue organization, at great risk, to request rescue and for him to be sent the necessary travel documents."

"Before long, a self-claimed Hong Kong rescue organization rang Juntao, saying that rescue work would start soon at a cost of about 10,000 yuan. Juntao said he had only 8,000 yuan or so. His counterpart said in reply that money was not so important and they had to meet as quickly as possible to discuss how to flee. Both sides then agreed that they would meet in a coach of a train bound from Changsha to a certain place because Juntao did not tell his counterpart where he was staying. When Juntao entered the coach on schedule, he immediately noticed something wrong—other coaches were very crowded but there were only a few people in the coach he entered. When he tried to open a window to jump out public security personnel in plain clothes, hiding inside and outside the coach, all drew their pistols from their pockets."

Apart from what she had learned from the restricted bulletin, she heard two other versions of Wang's arrest in Beijing. One was that the CPC had installed the most advanced tapping device in Shenzhen, which can monitor all trunk calls from Hong Kong to the mainland. The other was that CPC special agents in overseas rescue organizations divulged secret information. After Wang Juntao was arrested, not a single piece of news about him could be gleaned, either from the Qincheng Prison, the Chaobaihe Guesthouse of the State Security Ministry in Shunyi County, or from lockups in Beijing.

Chen Ziming and His Wife Arrested at Home of Relative in Zhanjiang

When Miss A hid in Beijing, she risked going to the home of Chen Ziming's parent. Both his mother and young sister said that Chen Ziming and his wife were arrested by the authorities at his relative's home in Zhanjiang, Guangdong Province. When Chen Ziming and his wife fled to Zhanjiang and went into hiding at the home of a distant relative, his wife was already eight months pregnant. In October last year, Chen made contact with a certain person in Beijing but, two days later, the couple were arrested together with the relative. The news was brought to his mother in Beijing by another relative. So far the CPC has not yet officially announced the arrest of Chen Ziming to his parents. His mother in particular

worried about her pregnant daughter-in-law and often figured when she would give birth and how she was occupying her days in jail. The CPC is so cruel that it even does not let off a pregnant woman.

Ren Wanding Does Not Go to U.S. Embassy

Last year, many overseas newspapers carried a report that Ren Wanding went to the U.S. Embassy in Beijing after 4 June to ask for political asylum but was rejected and then arrested. However, a close relative of Ren told Miss A that Ren had never entered the U.S. Embassy in Beijing. That day, Ren hid out at the home of a close relative. People persuaded him to enter the U.S. Embassy to hide and avoid the catastrophe. Ren had been imprisoned for several years on charges of advocating human rights. At that moment, Ren remained undecided. His relatives decided to first go to the U.S. embassy to try and discover anything unusual. After a while they returned and told Red that there was nothing unusual around the embassy. Ren then decided to return home before going to the embassy because he thought that much important data had to be removed from home. He stubbornly returned home. As he was checking the material, he was spotted and reported by neighbors and then arrested at his home.

Bao Xunxin Goes to U.S. Embassy To Hide But Is Refused

Bao Xunxin, editor-in-chief of the magazine WEILAI CONGSHU [2607 0171 0654 2579] and the most active figure in the Beijing Intellectual Association on the Square, was persuaded by friends to plead for political asylum at the U.S. Embassy. But he was rejected on the ground that he was not so well known as Fang Lizhi. Driven to the wall, Bao was at a loss what to do and had to return home. Finally, he allowed himself to be seized without putting up a fight at his home.

Dai Qing Is Never Released

Since her arrest, GUANGMING RIBAO reporter Dai Qing has been detained at the Chaobaihe Guesthouse of the State Security Ministry, which is better than Qincheng Prison in terms of living conditions. Each room is furnished with two beds, one for the detainee and the other for a warder, and a toilet. Ideological education aimed at psychological warfare is conducted every day. The food is also good. There are two meals a day at 0900 and 1600, with two dishes and a bowl of soup for each meal and a slice of water melon in summer and two apples in winter. It is said that all people detained here are of high status but their problems are not so serious that they cannot be remolded. At least three Chinese students studying in the United States were detained here after they were seized at the airport when returning to the United States on the charge of offering money to students on the square. They were all asked to write a self-criticism but were later released and permitted to return to the United States on the condition

that they collected information for the CPC and undermined the overseas pro-democracy movement. They agreed with what was asked of them but intended to adopt a perfunctory attitude. Right after they returned to the United States, they immediately exposed the CPC's sordid conduct to students.

It was said that Dai Qing had been released. This was because she was seen by her neighbors when she went back home to fetch some clothes under escort of warders. It was also reported that Dai Qing was given "preferential" treatment here because she is the adopted daughter of Ye Jianying.

Brothers Bai Nanfeng and Bai Nansheng Arrested

Bai Nanfeng was a subordinate of Chen Yizi and one of the most effective writers of the China Institute for Restructuring Economic System. He is known for his book "Richly Endowed Poverty" in mainland academic circles. During the 1989 pro-democracy movement he was very active. He was mainly responsible for making contacts with students and signed the resolution jointly adopting "three institutes and one conference" in the name of Chen Yizi. Chen has leg trouble, so he often asked Bai Nanfeng to attend some meetings on his behalf. Right after 4 June, he was immediately arrested.

His younger brother Bai Nansheng was also an active figure on the square. After 4 June he hid out everywhere. Finally, he was secretly arrested at the front gate of his younger sister's home. One day, he quietly went to home of his young sister and brother-in-law. After lunch, his sister and brother-in-law went to work and he stayed to wash the dishes. At about 1500, just as he went out, a strange man stepped toward him and said there was a car waiting for him. He was carried into the car by force. This was all seen by an old woman who was just sitting in front of the building when the whole thing happened. She then entered the building, asking people in each storey whether there was anyone missing as she had seen a man arrested in front of the building. The fact was not verified until Bai's sister returned home from her office. The old woman also said that the hefty fellow had been hanging around in front of the building for two days.

The CPC likes to arrest people by carry them away by force in great secrecy while they are walking the streets. No one knows the whereabouts of those arrested.

Knowing that her two sons had been arrested, their mother cried her heart out. The old woman went to the public security office several times and asked to see her sons but she was not permitted. She brought some clothes and chocolates to them. The clothes were accepted but the chocolates refused on the ground that there might be poison in food. Bai's mother sighed mournfully and said: How could it be possible that a mother would kill her own sons with poison?

By 18 July Last Year, Beijing Had Already Arrested Over 7,000 People

At the end of July last year, Miss A read an internally-circulated document by the Ministry of Public Security in Beijing. It said that by 17 July 1989, Beijing had already arrested more than 7,000 "rioters."

After 4 June, arresting people became a common practice by the CPC, which had adopted a policy of "better to arrest 1,000 people mistakenly than let any escape the net." Min Qi, an assistant to Wang Juntao, returned to Beijing quietly after hiding in another place. He dared not directly go back to his home and went to see a friend. As the friend was not at home at that time, he left a note for him, telling him that he had come back to Beijing and wanted to see him. But several days later Min was arrested.

Wang Yan, an editor of the Beijing magazine DU SHU, was sick and stayed at home throughout the pro-democracy movement which took place in 1989. But as his name appeared in the editors' list of the student newspaper XINWEN KUAIXUN [news express] (probably a coincidence), which was circulated in the square at that time, he was also arrested and detained in a Ministry of State Security hostel for several months. Later, as nothing had been found to prove his guilt, he was released.

After Chen Yizi fled the country, his secretary Yang Xiao and many other people who had relations with him were soon arrested. For example, a young man who had just graduated from Beijing University and had been assigned to the Institute of Restructuring Economy, was also arrested. He had not taken part in any pro-democracy activities. He was arrested only because he had been to Shenzhen with Chen Yizi because he wanted to buy something there for his marriage. This young man then became distraught in jail.

Seeing a roadblock obstructing his way a taxi driver tried to move it away. But a policeman saw him and insisted that he was placing the roadblock. The driver was then taken away. Recently his family was informed that he had been sentenced to four years' imprisonment.

Recently, the CPC boasted that some 573 people had been released. In fact, all had been arrested by mistake and they only formed a very small proportion of those arrested. According to a conservative estimate, in Beijing alone over 10,000 people have been arrested.

University Student Beaten to Death After Being Arrested

Apart from the Ministry of State Security hostel, some main pro-democracy leaders such as Wang Dan, Liu Xiaobo, Bao Zunxin, and Bao Tong have been locked up in Qincheng Prison. But those who have been put in various detention houses and houses for reeducation through labor in Beijing are the most miserable. Most of them are workers, common citizens, and students.

Living conditions there are really terrible. More than 30 people are locked up in one room. They have only two meals a day and do not have enough food to eat, having only two pieces of "steamed corn bread" for each meal. After they finish supper at 1600 in the afternoon, they are forced to work four hours from 1600 to 2000. The main work they are doing is to assemble bicycles. During the day they have to write confessions of their crimes.

Once, a friend of Miss A was allowed to go to a detention house to see her younger brother. There she saw a university student who had been seriously beaten and there was a big festering wound on his head. She could even see some white maggots wriggling in the wound. She felt sick at that and begged the police on guard there: "Please give him some medicine, even mercurochrome may help him." But the policeman said coldly: "Do not say any more or I will put you in there too!" She was so scared that she ran out immediately. However, the wriggling maggots on the head of that student she had seen there made her uneasy whether sitting or sleeping. She began to look for a "back door" to save the student and finally she succeeded. With the help of other people, the detention house then agreed to send some medicine for that student. However, the man who sent medicine to the detention house came back with a dejected look. He said: "There was no need. He died two days ago."

Many people were brutally beaten after they were arrested. Some of them could not bear this and "confessed" everything. Being unable to endure great pain, a pro-democracy person surnamed Chen "confessed" everything he had done, even his private talk with another person. No one blamed him, because all knew that the Communist Party could do anything cruel to him.

Annulment of Yan Jiaqi's Status as Deputy to the National People's Congress Obstructed

The CPC was extremely angry with Yan Jiaqi who fled to Paris and became chairman of the "Democratic Front." It made great efforts to eliminate the "poisonous influence" of Yan in the Political Science Institute of the Chinese Academy of Social Sciences where he had been the director. At first, the Chinese Academy of Social Sciences sent a work group into the institute, but it accomplished nothing. Then the higher-level "work committee" sent another work group to the institute, and it too did not make much headway. Finally, Xu Weicheng, deputy secretary of the Beijing Municipal CPC Committee, personally led a "Beijing Municipal CPC Committee Work Group" to the institute. The three work groups "fought in coordination" and carried out "back-to-back" activities (meaning the two persons involved do not see each other) of accusation and exposure. However, people continued to treat them coldly. The work groups simply could not find any "breaches."

Finally the work groups proposed to annul Yan Jiaqi's status as deputy to the National People's Congress and tried to have the matter passed in a vote by a show of

hands. But some people proposed that the matter be decided by secret ballot because his status as people's deputy had been acquired in the same way. Then the heads of the work groups decided to have a vote by a show of hands on the matter of whether the annulment would be decided by secret ballot or a vote by a show of hands. Under the supervision of the heads of the three work groups and the party secretaries of the institute and academy, the proposal to annul Yan Jiaqi's status as people's deputy through a vote by a show of hands was finally approved by a majority of only one vote. Five people had abstained from voting. Hu Jie, a young scholar, boldly cast a negative vote.

After that, the five people who had abstained from voting were called to see the heads of the work groups, who threatened them that if they continued to behave like that they might have to talk with public security personnel. As to Hu Jie, he was put on "another list."

Everyone Resisted the Checking, Making the Work Very Difficult

The situation in the Political Science Institute was not an isolated case. The situation was almost the same in various departments in Beijing. The checking was obstructed and things were made very difficult. The younger brother of a friend of Miss A worked in an aquatic product department. Someone in his unit had taken part in the pro-democracy movement during the 4 June period and was wounded by a bullet. When he was asked whether he had gone to the square he said he was whitewashing his new house when a bullet suddenly hit him. Many colleagues also testified on his behalf, proving that what he said was right.

The CPC had originally planned to end the checking before "1 October." But then it was changed to "1 January" and then to "1 May" this year. The reason is that everyone is resisting the checking and making things difficult.

Over 90 Percent of Beijing Residents Hate the Present Regime

Miss A said: Over 90 percent of Beijing residents hate the present CPC regime and maintain that the regime should in no way be allowed to continue its rule. Not all Beijing people witnessed the massacre but they heard shots in the distance. As the death toll gradually spread from the hospitals, almost no one in Beijing believed that no one had been killed as alleged by the government.

Miss A's father is a veteran soldier who was an officer as early as in the 1940's but now completely disagrees with the present regime. Her mother knew nothing about politics and did not take an interest in politics. However, this time she also raised up against the government. She thought quite simply: My children, and students, should not be massacred and the massacre was absolutely wrong. Miss A said: Before 4 June, not many people in Beijing thought that the Communist Party was unqualified to wield power. Even the veteran pro-democracy

figure Wang Juntao, believed that only by relying on the CPC would the political and economic reform be carried out smoothly. Even on the second day after martial law was proclaimed in Beijing on 20 May, Wang Juntao still called people in his organization to a meeting to discuss whether they should take part in the student movement and whether the student movement image would be harmed. However, the 4 June massacre changed the ideas of Beijing people overnight. They no longer recognized the regime and said that the legal status of the regime was in question and it should be overthrown. People now are just discussing how and when to overthrow it.

Never before have intellectuals been so united as today, either ideologically or theoretically. They believe the CPC's political system of one-party dictatorship should be changed and, should the opportunity arise, the regime should be terminated. They no longer place their hopes on reformers within the party. On the day when Voice of America broadcast the news that the dictator Ceausescu had been executed by the Romanian people, telephone lines in Beijing were heavily overloaded and people ran around spreading the news. Everyone received at the least 10 telephone calls. As they were overjoyed by the news, they revealed their expectations and conviction. In the dining hall of Beijing University, someone cried loudly: "Ceausescu is dead, long live Deng, Li, and Yang," and then broke a bottle into pieces.

One Billion People Break Bottles and the Old China Will Be Smashed to Pieces

On the night of the last New Year's Day, students from Beijing University, Qinghua University, the Beijing Institute of Political Science and Law, the Beijing Teachers' University, and also quadrangle dwellers in Beijing all had a drink grieving over their children, schoolmates, and friends; asking a blessing for their relatives in prison; and calling down a curse upon Deng Xiaoping. With heavy hearts, people cried and shouted while drinking. The atmosphere of grief and indignation almost pressed Beijing flat. After drinking, people broke wine bottles one after another into pieces to express their indignation at the tyranny of Deng Xiaoping. Bottles broken by people out of fierce hatred that night were even more than those throughout the year.

The economic depression ensuing since 4 June curtailed production in many factories. As a result, workers were paid only 4 percent of their wages. Some workers had to do bicycle repairs and other odd jobs in the streets. After news of the execution of the Ceausescus spread, all workers were called back to their factories. They were promised full pay on the condition that they played poker, or chess, or anything else, but did not step outside their factories.

Miss A pointed out that the people on the mainland are not so pessimistic because they believe the regime will not last long. The changed situation in East Europe especially has given them more confidence. The pet

phrase prevailing now among Beijing citizens goes: To strive to live as long as we can because we want to see their disgraceful end. During her time hiding in Beijing, Miss A saw many residents doing exercise at home every day to build up their physique. They say they will wait for the coming of the next "storm" to bury the tyranny.

Dissident Su Shaozhi's 'Antics' Censured

HK1205024090 Beijing RENMIN RIBAO in Chinese
25 Apr 90 p 2

[Article by Ma Liming (7456 3810 6900): "A Big Exposure of the Anti-Socialist, Anti-Marxist Features—Commenting on Su Shaozhi's (5685 4801 2535) Speeches Delivered Abroad"]

[Text] After the quelling of the counterrevolutionary rebellion in Beijing last June, a small handful of Chinese abroad raised a hubbub against the CPC and the socialist system in China following some international reactionary forces. They are only a small motley band who do not have, and will never have, any future to speak of. Nevertheless, since they have put forward a variety of programs, propositions, and opinions and spoken up about what they had found it hard to say earlier, we now have a better understanding of the nature of the ideological trend of bourgeois liberalization. We should start considering, at a time when the confrontation and dividing line between the two sharply contrasting political ideologies and beliefs have surfaced, what to stick to, what to oppose, what to keep away from, and which way to go.

In this hue and cry, Su Shaozhi (former researcher with the Research Institute of Marxism-Leninism-Mao Zedong Thought of the Chinese Academy of Social Sciences) played a prominent role.

Since his defection, Su Shaozhi has been performing political antics for more than half a year. He wrote, spoke, spread rumors, slandered, and spoke drivel, directing his attacks at the CPC, the socialist system in China, and the 20th-century socialist movement under the Marxist-Leninist banner. Su's speeches abroad are the continuation and vicious development of his long-cherished bourgeois liberalist ideology, which have fully revealed his reactionary political features and also thoroughly exposed the nature and destination of the many wrong ideas he had formerly propagated.

There is no need to reply to Su's attacks and libels one by one. What should be done here is to make an analysis of his downright negations of the socialist cause of the Chinese people and Marxism-Leninism.

I

There is a basic proposition in Su's charge against the CPC and the socialist system in China. That is, what we have been practicing for dozens of years is not socialism but "feudal despotism plus Stalinism," "with socialism in name only." On the other hand, he also advocates

so-called "political pluralism," "economic privatization," and "ideological liberalization" in an attempt to change and replace our socialist system with his stuff.

How should we look at socialism in China? This is a question of fundamental import. Since the Third Plenary Session of the 11th CPC Central Committee, the CPC, and the whole nation have been reflecting deeply upon this very question. The line laid down since the Third Plenary Session of the 11th CPC Central Committee (i.e. "one center, two basic points") is a concentrated expression of the fresh result of our party's reunderstanding of socialism. This line requires further adherence to the socialist road on the one hand and promotion of socialist reform on the other. Promoting social reform and discarding any ossified stuff previously contained in the system and ideology is for the very purpose of giving full play to the dynamic and advantages of socialist system and constructing a socialist system with Chinese characteristics along our own road and in light of Chinese reality. Without reform, it is impossible to adhere to socialism more closely. Under the precondition of adhering to socialism, there may be differing judgments, appraisals, propositions, and plans on the origin of, and grounds for, reform; on the past achievements, lapses, and positive and negative experiences in the course of socialist construction; and on the ways and methods to push forward the reform. Naturally, this also involves the question of right or wrong, comprehensiveness or doing things part way, and wisdom or imprudence. These are nothing but differences and arguments among adherents to socialism. There is another kind of difference and argument of a totally different nature, that is, the fundamental conflict between adherence to socialism and opposition to socialism. Some anti-socialists, at various times and on some occasions, claim to be "socialist reformers" and even "very radical" "reformers." But they will inevitably be revealed for what they are as things develop. In fact, what they advocate is discarding the four cardinal principles, fundamentally changing the socialist system, and taking the capitalist road in the name of "reform." Su Shaozhi is one of them.

Su holds that what we have been practicing for dozens of years is not socialism in reality but "socialism in name only." This opinion of his is nothing new. In the course of bringing order out of chaos and summing up historical experiences following the Third Plenary Session of the 11th CPC Central Committee, when our party was conscientiously exposing and analyzing the mistakes and setbacks in our work after the founding of the People's Republic and the inadequacies and problems in our system, a fallacious ideological trend loomed up out of obscurity: The exaggeration of those lapses and problems to an extreme extent and the analysis of their causes in a distorted way so as to completely negate the basic achievements of socialism in our country and even totally deny the fact that what we have been practicing is socialism. It was to counter this ideological trend that Comrade Deng Xiaoping delivered the famous important speech of "Upholding the Four Cardinal Principles"

in early 1979. In 1981, the "Resolution on Several Historical Issues of the Party Since the Founding of the People's Republic," passed by the Sixth Plenary Session of the 11th CPC Central Committee, clearly pointed out: "Though our socialist system is still at an initial stage, our country has undoubtedly established a socialist system and evolved into a socialist society. Any idea that contradicts this basic fact is wrong." When making an incisive criticism on the chaotic situation in the ideological-theoretical circles at that time in his speech at the Second Plenary Session of the 12th CPC Central Committee in 1983, Comrade Deng Xiaoping also mentioned this question in particular. Later, when further elaborating the thesis on the initial stage of socialism in our country, the 13th CPC Central Committee reiterated that this thesis has "two implications": "First, the society in our country is a socialist one and we should hold on to, not depart from, socialism. Second, the socialist society in our country is still at an initial stage which we should not try to go beyond but take as the reality to proceed from." This thesis of our party is scientific because it is grounded on the most basic historical fact. Since the founding of New China, we have established and developed a state power under the people's democratic dictatorship, established and developed a strong socialist economy, completed the socialist transformation of private ownership of the production means in the main, eliminated the exploiting system and the exploiting class in the main, and placed Marxism in a guiding position in the ideological field. This is a substantial proof that a basic system of socialism has been established in our country. It is this basic system that has brought about tremendous changes in our country over the past dozens of years. This basic historical fact cannot be denied despite all lapses, setbacks, defects, and inadequacies. We proceed from this fact in our reform to consolidate and develop basic socialist achievements obtained so far. To recognize or to deny this basic historical fact and to safeguard or to obliterate the basic achievements are the underlying line of demarcation between socialist reform and denial of socialism in the name of "reform." The several rounds of struggle against bourgeois liberalization in the past 10 years have time and again pointed to this issue.

Su Shaozhi slanders us as practicing "feudal despotism," assuming that this will bring down our socialist cause under the party's leadership. This, however, will come to nothing. Which class and party in China take the most clear-cut stand and wage the firmest struggle against feudalism? It is true that the bourgeoisie together with its party also fought against feudalism, but as they were too weak they did not, and will never be able to, shoulder this historical mission. It was the Chinese proletariat and its party, the CPC, that alone proposed an unequivocal anti-imperialist and anti-feudal program, led the New Democratic Revolution to victory, overthrew the political rule by imperialism and feudalism, and, after the New China was founded, eventually eliminated the feudal landlord class and feudal exploiting system through the land reform carried out among hundreds of

millions of population in mainland China and rooted out the economic basis and social basis that feudal despotism relied upon for ruling over and oppressing the Chinese people. All these are basic historical facts not to be denied. It stands, however, that after overthrowing the reactionary feudal rule and abolishing the feudal land system, we should go on clearing away feudal vestiges in the ideological-political field. This remains a serious task which needs to be, and can be, accomplished with efforts in the course of socialist transformation and construction. There was a time when insufficient attention was given to this problem which spelled a bitter lesson. This issue was highlighted by our party after the Third Plenary Session of the 11th CPC Central Committee. In his famous speech "The Reform of Leadership System of the Party and the State" at the enlarged meeting of the Central Political Bureau in August 1980, Comrade Deng Xiaoping solemnly announced: "We should now bring up, in no uncertain terms, the task of continuing to mop up feudal vestiges in the ideological-political field and carry out a series of practical reforms on the system," and "in mopping up feudal vestiges, the focus is on taking solid measures to reform and perfect the system of the party and state and give institutional guarantee to the democratization of the political life of the party and state, of economic management, and of the entire social life, so as to facilitate the smooth development of the modernization drive." In the same speech, Comrade Deng Xiaoping also pointed out: "While mopping up feudal vestiges in the ideological-political field we should never, in the slightest degree, relax or neglect criticism on bourgeois and petty-bourgeois ideologies and on individualism and anarchism"; and "it is also a complete misconception to assume that capitalist ideology may be propagated for the purpose of mopping up feudal vestiges." It is now clear that the CPC Central Committee, in the course of pushing forward socialist modernization drive and socialist reform and opposing bourgeois liberalization, has brought up and taken solid measures to carry out the task of mopping up feudal vestiges in all earnestness. This line is a Marxist one in keeping with the national condition of China. But Su Shaozhi and his ilk advocate bourgeois liberalization under the anti-feudal signboard. They magnify the influence of feudalism to an extreme extent; condemn and oppose the CPC leadership, the people's democratic dictatorship, socialist public ownership, and Marxist guidance under the socialist system as "feudalism;" and advocate that developing capitalism is the only way to fight what they call "feudalism." Opposing "feudal despotism" in this way will only mean rejecting the socialist system and taking the capitalist road.

It is also with ulterior motives that Su Shaozhi condemns us as following "Stalinism." The problem concerning it is undoubtedly of great importance to our studies on the past experience of socialism and on socialist reform. When studying this issue what we need is an analytical approach, an historical attitude, and a sober mind for historical reality. We must affirm the basic achievements in constructing and defending socialism by the Soviet

party and people during the Stalinist period. But we must disapprove what discredited socialism and hindered socialist development during the same period and draw a conclusion from it for pushing forward socialist reform. As for Stalin's influence on China, our analysis should also embrace both sides of the coin: Positive and negative. Meanwhile, we should understand that as early as in the democratic revolution period our party opposed the doctrinaire tendency of deifying the Soviet experience and Stalin's views, and stressed that the Chinese revolution was of Chinese characteristics. In the early stages of socialist transformation and socialist construction in our country, it was naturally necessary for us to absorb the experience of the Soviet Union but this was in no way an indiscriminate imitation of Stalin's practice. Furthermore, we started our socialist reform on the basis of summing up domestic and international socialist experiences, both positive and negative ones, including those of Stalin. But Su Shaozhi draws an analogy between "Stalinism" in his sense and feudal despotism and calls the socialist practice in our country over the past 40 years "feudal despotism plus Stalinism" which, in his words, are "two big mountains lying like a dead weight on the backs of the Chinese people today." He ignores basic historical facts and cooks up such alarmist stuff to vilify our socialist system. This does not do any harm to the socialist cause of the Chinese people but only exposes more of his hostility toward socialism.

The point becomes all the clearer when we look at what Su Shaozhi has put forward to replace what he calls "feudal despotism plus Stalinism." The content of his political program and proposition is as follows: First, politically he advocates "abolition of one-party dictatorship." "One-party dictatorship" is the term he has used to describe the leading position of the CPC in the state affairs and the multi-party cooperation under the Communist leadership. Second, economically he advocates "privatization, to put it in a more thorough sense." Such a privatization means to "transform" socialist public ownership to capitalist private ownership. Third, ideologically he objects to taking Marxism as what he calls an "official theory," a term which he applies to Marxism in its guiding position in our country's ideological field. This whole plan of his is to turn our entire society into an out-and-out capitalist one, politically, economically, and ideologically.

Here, we would like to say something more about Su Shaozhi's disapproval of the guiding position of Marxism. Su vilifies and disapproves with all his might the guiding position of Marxism-Leninism-Mao Zedong Thought which, according to him, has been deemed as an "official theory" in China and "causes ossification of thinking." Should China continue to place Marxism-Leninism-Mao Zedong Thought in a guiding position? Does this necessarily lead to ossification? We differ fundamentally with Su Shaozhi on this question. As is known to all, the guiding position of Marxism is not a status that Marxism has given to itself but has been established in the process of the people's revolutionary

struggle. It is of great importance to ensuring the socialist orientation of our cause. It was with the power of truth that Marxism assumed this position, and it is again with the power of truth that we may continue to keep it in the guiding position. It was natural, however, that after the revolution succeeded some of our comrades tended to take advantage of administrative power and the party's prestige and regard Marxism as a dogma instead of making strenuous efforts to collect large amounts of material to elucidate, in an analytical approach, the unity of Marxist truth with the reality of China. As early as in the mid-1950's, our party warned against this dangerous tendency. Since the Third Plenary Session of the 11th CPC Central Committee, our party has laid more stress on adherence to the practice of seeking truth from facts and emancipation of thinking, on the notion that practice is the sole criterion for testing truth, and on implementing the principle of letting a hundred schools of thought contend. The vigorous development of our socialist cause in the past 10 years is also the result of Marxist guidance. Therefore, one can never say that Marxism, once in a guiding position, is destined to cause ossification of thinking, and still less can he propose to annul the guiding position of Marxism on the excuse of opposing ossification. Positive as well as negative historical experiences have time and again shown that our socialist country, in the domestic and international climate of intricate struggle, will risk greatest danger if we weaken and even abandon the guiding position of Marxism, the party's leadership over ideological work, the building of socialist spiritual civilization, and the struggle against bourgeois liberalization. It would inevitably lead to unchecked flooding of various anti-Marxist and anti-socialist ideologies, throwing our entire society into utter chaos. Would there be anything like four modernizations, stability and unity, and reunification of the country to speak of? Would there be socialism any more? This is what Su Shaozhi is ultimately after in opposing what he calls the "official theory" and proposing to annul the guiding position of Marxism.

II

It must also be pointed out that Su Shaozhi's so-called disapproval of "Stalinism" is meant to directly and openly oppose Marxism-Leninism, and Leninism in particular. This is an inevitable outcome of his ideological development and also a further exposure of his political nature.

Generally speaking, there are two aspects to Su's attack at Leninism: Rejecting the theory of the state and that of the party, both centering around proletarian dictatorship; and denying the great historical value of Lenin's struggle against the opportunists in the Second Comintern.

Su Shaozhi imputes what he describes as various "disasters" in socialist countries to Lenin's theory of the state about proletarian dictatorship. He even talks such nonsense as "Proletarian dictatorship is only one step away from fascist dictatorship." Here, Su Shaozhi is neither

commenting on shortcomings nor pointing out inadequacies at all, but letting loose the most venomous invectives against, and totally disapproving of, proletarian dictatorship. Lenin's theory of the state about proletarian dictatorship is an important contribution to Marxism, and an ideological and theoretical weapon that empowers the proletariat and the broad working masses to smash the old state machinery and build up a new society. The system of people's democratic dictatorship in our country is a product of integrating the Marxist-Leninist theory of the state about proletarian dictatorship with the reality in our country. The people's democratic dictatorship gives democracy to the people and metes out punishment to enemies who oppose and attempt to overthrow the socialist system. Holding on to the people's democratic dictatorship is good news to the people but definitely spells disaster for the enemy of socialism. Is it not true that Su Shaozhi admires the political system in capitalist countries? A capitalist country is not free of dictatorship. Its dictatorship is established on the basis of capitalist exploitation and oppression. And fascist dictatorship is the extreme, undisguised form of capitalist dictatorship. That Su Shaozhi uses the term "fascist dictatorship" to abuse our people's democratic dictatorship is nothing but a sign showing how far he has gone on the road of political degeneration!

Su Shaozhi takes Lenin's theory of party building as a particular target of his attack. He says: "The problem is with Lenin's principle of party building" which, according to him, is outmoded and "if we go on using Lenin's principle for party building, we will suffer a great disaster." What is Lenin's principle of party building? The core of it is the principle of democratic centralism. As we all know, the principle of democratic centralism means centralism on a democratic basis, whereby the strength of our proletarian party can be concentrated and organized and, consequently, the strength of the proletariat and the broad masses can be concentrated and organized too. It is with this weapon that the proletarian party is strengthened organizationally and becomes a forceful vanguard instead of a disunited band, shouldering the responsibility of leading the people in their great struggle of revolution and construction. This principle is an important development of Marxism by Leninism and an essential talisman that the proletarian party cannot do without even for a moment. It is especially important for a huge party like ours with a membership of over 40 million. To annul this principle means to destroy the party's fighting capacity, to bring its organization into pieces, and to put an end to the party-led socialist cause. Naturally, however, how to perfect and develop democratic centralism in the political life of the party and the state is a substantial problem in socialist reform, and a long-term task that should be constantly studied and eventually accomplished in accordance with socialist practice. But both positive and negative historical experiences have reminded us: The various frustrations and even "disasters" in the course of socialist construction are on no account a result of

democratic centralism proposed by Lenin but, on the contrary, are a result of the imperfection and underdevelopment of, and even destruction to, democratic centralism.

Su Shaozhi also says: "Lenin was originally against revisionism (Quoter's note: Referring to Bernsteinism). Revisionists revised Marxism under the developed capitalist conditions whereas Lenin revised Marxism under the circumstances of the Czarist dictatorship. Both revised Marxism." This is a total denial of the importance of Lenin's struggle against Bernsteinism in the Second Comintern and an open disclamation of the historical status of Leninism. As is known to all, the nature of Lenin's struggle against Bernsteinism in the socialist movement early this century is not merely a question of how to appraise the development in one or two individual countries but a question of how to look at the development of contradictions within the entire imperialist world at that time and what attitude to take toward the coming socialist revolution, a great revolution with fresh contents in human history. On the eve of the imperialist world war, the opportunists in the Second Comintern turned a blind eye to the unprecedented intensification of the conflicts in the capitalist-imperialist world. When the imperialist war started, they supported it and rose to "protect" their respective imperialist "motherlands." With the success of the October Revolution of 1917, workers and peasants founded a socialist country of their own and those opportunists turned against the October Revolution with all their might. History has proved that disapproval of socialist revolution is the crucial point of Bernsteinism in the Second Comintern. In his struggle against the opportunism of the Second Comintern, Lenin integrated the universal principles of Marxism and the new features of the imperialist period with the reality of Russia, and put forward a series of important ideas and theories. Looking back along the basic thread of development of the 20th-century history, we will realize that Lenin's basic analysis of the outlook of conflicts in the capitalist-imperialist world at a critical moment early this century is scientific, and his basic strategy for uniting the proletarian revolution with the national liberation movement correct. He turned socialism from a theory and a movement into a full-scale practice of creating a new country and constructing a new society. He also probed into the issue of socialist construction and made extremely valuable discoveries. This marked a new stage in the development of socialism and Marxism. It was because of Lenin's firm and effective struggle against Bernsteinism that the October Revolution became possible and so did the subsequent 20th-century socialist movement on an unprecedented scale under the banner of Marxism-Leninism. Without the great victory of Leninism and the falling through of the Second-Comintern opportunism, mankind would probably still be suffering enslavement and oppression under the uninterrupted rule of capitalist-imperialism and colonialism. All in all, whatever the hardships and frustrations that the socialist movement under the Marxist-Leninist banner has come through or

is experiencing, the historical status and achievements of Leninism as well as its significance to the present-day development of history are not to be denied.

With regard to Marxism, Su Shaozhi says: "Marxism has its position as a culture, a way of thinking, and a social science." He also says: When looking ahead at the future society, Marx "only made some broad methodological judgments and cherished some fantasies with shades of utopianism." This is an attempt to detract from the value of Marxism and strip off its revolutionary essence. We must make this clear: First, Marxism is the world outlook and theory of social revolution of the proletariat, and the most powerful ideological weapon for overthrowing the old world and building up a new society by the proletariat and the broad masses of people. We should on no account take the "position" of Marxism as that of "a culture" only. Second, the dialectic materialist and historical materialist world outlook and methodology initiated by Marx and Engels, their basic analysis of the capitalist society and the resultant theory of surplus value, and the law of social development brought to light by them and the resultant conclusion that communism will certainly replace capitalism are all scientific truths. The predictions they made on the basis of these truths of the general tendency of future social development are in no way "only" "some fantasies with shades of utopianism." Third, Marxism has always been a science that constantly develops in practice. The great changes in the entire world require Marxists to open up their horizon, develop new concepts, and attain a new realm of thought. Marxism needs a gigantic development which conforms to the general trend of our times. Naturally, however, such a development can only proceed from the precondition of adhering to the obtained scientific results of Marxism. It should not lead to a denial of the fundamentals of Marxism on grounds of world changes. When exposing the Second-Comintern opportunists' attempt to strip Marxism of its revolutionary essence, Lenin sharply pointed out: "They ignore, deny, and misinterpret the revolutionary aspect of this theory and its revolutionary spirit and take what is, or apparently is, acceptable to the bourgeoisie as the first thing to be praised." Is it not the same trick that Su Shaozhi is using today?

III.

Su Shaozhi's degeneration to such an extent is not a fortuitous phenomenon. Instead, it is a natural consequence of his development along the road of bourgeois liberalization over a long period of time.

As early as in 1979, before and after the discussion of theoretical problems held by the CPC Central Committee, Su Shaozhi under the anti-"Leftist" signboard published articles claiming China was still in a period of transition into socialism, doubting and virtually negating that our country had set up a socialist system. In view of his erroneous ideas, party organizations and comrades in the theoretical circles criticized him and came to his help in the hope that he would correct his

mistakes. After the Second Plenary Session of the 12th CPC Central Committee banned all practices of spiritual pollution on the ideological front, Su Shaozhi did a little self-criticism on his own erroneous ideas. But what happened later showed that he did not act as he had said. Without drawing a lesson from that experience, he went further down the old track. He assumed the guise of a "reformer," put up the signboard of "opposing feudal despotism," condemned the socialist society as "lacking in true democracy" and "giving no freedom," claiming it is necessary to "make up the missed lesson" by practicing capitalism, and so on and so forth. These statements of his were applauded by some people abroad who dubbed him a "dissident" "theorist." Su regarded this not as a disgrace to himself but an honor. Therefore, Su's problem developed from a partial mistake in ideological and theoretical understanding to a systematized set of viewpoints for bourgeois liberalization.

After the anti-bourgeois-liberalization campaign unfolded early 1987, the Chinese Academy of Social Sciences dismissed Su Shaozhi from his leading post in the Research Institute of Marxism-Leninism-Mao Zedong Thought and patiently gave criticisms and help to him time and again. But Su resisted such efforts to educate and redeem him and stubbornly clung to bourgeois liberalization, going further and further along this devious road. At the theoretical discussion marking the 10th anniversary of the Third Plenary Session of the 11th CPC Central Committee toward the end of 1988, he attacked and completely disapproved the campaign to clear off spiritual pollution and to oppose bourgeois liberalization, and sent the text of his speech to "SHIJIE JINGJI DAOBAO" and the press in Hong Kong. In the spring of 1988, he took a very active part in a series of political activities and directed, with even less disguise, his attack on the party and government in an attempt to set off political unrest in society. Thus, Su Shaozhi's problem was no longer a mistake in ideological-political stand but had developed into a direct political action whipping up a turmoil.

After the turmoil began, Su Shaozhi openly claimed that he had "seen the future and hope of China" in the turmoil and assumed an even more active role in instigation and masterminding. On 27 April, he and some others including Yan Jiaqi delivered an "open letter" addressed to the Shanghai Municipal CPC Committee, opposing the Municipal Committee's decision on the case of "SHIJIE JINGJI DAOBAO." On 13 May, Yan Jiaqi, Bao Zunxin, and he put up a big-character poster titled "We Can No Longer Keep Silent," instigating intellectuals to participate in the large-scale demonstration in support of the students' hunger strike. On 16 May, the same team delivered the "May 16 Statement" threatening to take further actions once their political demand was turned down. This was their attempt to put pressure on the party and the government. After the counterrevolutionary rebellion in the Beijing area was quelled, Su Shaozhi defected abroad and took an active

part in overseas anti-Chinese and anti-Communist activities, turning himself into an echo of the international reactionary forces.

The degeneration of Su Shaozhi is a reminder of the extreme importance of upholding Marxism and socialism and opposing bourgeois liberalization under the volatile international situation and the complicated conditions of struggle. The current frustrations in the development of socialism have made its enemies wild with joy. They claim that socialism-Communism is doomed and so is Marxism-Leninism. But it is indeed too early for them to crow with delight. In the face of the hue and cry raised by the bourgeois liberalists and anti-Communists in the West, the Chinese Communists and the Chinese people are watching what is happening with a broad historical vision. Our awareness of possible danger in times of peace and well-being is contained in Marxist optimism. The historical development of our country's socialist construction over the past 40 years, especially during the past 10 years since the Third Plenary Session of the 11th CPC Central Committee, has deeply convinced us that the socialist system is superior, that the CPC's leadership is correct, and that the policy of reform and opening up will not change. The correct line laid down since the Third Plenary Session of the 11th CPC Central Committee and the achievements of the reform and opening up over the past 10 years are an unshakable basis whereupon we can move on along the socialist road with Chinese characteristics. With this basis, we should concentrate our energy on domestic affairs and put our shoulder to the wheel to take the challenge of the 1990's and the 21st century. The birth and consolidation of a new social system is often timed in terms of a hundred or even hundreds of years. In this process, trials and frustrations are inevitable. This applies to socialism as it does to capitalism, but the former will need a longer process. This is because the social change whereby socialism replaces capitalism is much more profound and complicated than any other previous social change. It is impossible for our cause to move on from one victory to the next in a linear way. Instead there are bound to be high tides and victories as well as low tides, setbacks, and even temporary, partial failures. But in the long run, the main stream in the ups and downs will always be high tides and victories, and the final victory will certainly go to socialism and Communism. It is beyond the ability of any force to change this general historical trend.

Deng Pufang Attends Awards Meeting in Hunan

HK1405054790 Changsha Hunan Provincial Service in Mandarin 2100 GMT 11 May 90

[Text] Yesterday morning, the Hunan Provincial CPC Committee and the Hunan Provincial People's Government held a meeting in Changsha to confer the title "Socialist Financial Guard" and certificates of merit on Comrade Peng Shaolu, a clerk, and Comrade Tan Jianzhong, an accountant, both of whom work for a photographic studio on the outskirts of Hengyang City.

Before the meeting, provincial party and government leaders; Chen Bangzhu, deputy secretary of the Hunan Provincial CPC Committee and concurrently governor of Hunan Province; Cao Wenju, vice chairman of the Standing Committee of the Hunan Provincial People's Congress; Wang Xiaofeng, vice governor of Hunan Province; and others met with Comrade Tan Jianzhong and all the comrades attending the Hunan Provincial Report Meeting on Learning from Lei Feng.

During the recess of the meeting, Deng Pufang [Deng Xiaoping's son], director in chief of China Welfare Fund for the Handicapped, who was inspecting work in Changsha, also met with Comrade Tan Jianzhong. Comrade Deng Pufang spoke highly of the heroic deeds of Comrade Tan Jianzhong and encouraged him to work harder and make more progress in the future.

On behalf of the Hunan Provincial CPC Committee and the Hunan Provincial People's Government, Comrade Wang Xiaofeng delivered a speech at the meeting.

In his speech, Comrade Wang Xiaofeng said that Comrade Tan Jianzhong is an outstanding representative of the Hunan people, who are currently carrying out activities of learning from Lei Feng. Comrade Tan Jianzhong heroically defended state property and fought against bad people without giving any thought to his own safety, thus displaying the "Lei Feng Spirit" with his own actions.

Comrade Tan Jianzhong and the responsible persons of the Hunan Provincial Financial Affairs Office and the Hunan Provincial Branch of Agricultural Bank of China also delivered speeches respectively at the meeting.

Wu Xueqian Meets Taiwan Compatriots

HK1405051190 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 12 May 90 p 1

[XINHUA report: "Wu Xueqian Meets in Beijing With Taiwan Compatriots"]

[Text] Beijing, 11 May (XINHUA)—While meeting with Taiwan guests today, Vice-Premier Wu Xueqian said that the Chinese Government welcomes and will take into consideration all proposals and measures that promote exchanges between both sides of the strait and which are conducive to the development of relations between both sides.

Wu Xueqian met with Chen Chih-hwei, Hung Tung-kuei, Liu Shen-liang, Ting Shou-chung, Chang Chih-min, and Hsu Wu-sheng at the Sichuan Hall of the Great Hall of the People. Wu expressed a warm welcome to them on their visit to the mainland and the carrying out of exchanges. He said that peaceful reunification between both sides of the strait is the common desire of all the Chinese people. To this end, both sides should first enhance exchanges and mutual understanding.

Yao Yilin Chairs State Council Meeting

OW1105142290 Beijing XINHUA in English 1337 GMT 11 May 90

[Text] Beijing, May 11 (XINHUA)—The State Council, China's highest governing body, today held its 59th executive meeting, at which a draft regulation governing collective enterprises run by rural townships and villages was adopted.

The meeting was chaired by Vice-Premier Yao Yilin.

Since the Third Plenary Session of the 11th Central Committee of the Chinese Communist Party in late 1978, China's rural enterprises have achieved rapid development. Now their combined output value accounts for some 60 percent of the total rural social product and nearly one fourth of the national gross social product.

In addition, rural enterprises employ about half of the country's surplus rural workers.

So, rural enterprises have become a pillar of China's rural economy and an important part of the national economy as a whole.

Collectively-run enterprises comprise a large proportion of the whole.

The meeting decided that, after further revision, the regulation will be promulgated by the State Council.

Li Ruihuan Speaks at Literature Awards Ceremony

OW1205180990 Beijing XINHUA in English 1421 GMT 12 May 90

[Text] Beijing, May 12 (XINHUA)—Senior party official Li Ruihuan reiterated here today that he hoped that literature and art workers would continue to adhere to the road of serving the people and socialism.

Li, who is a member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China, added that he hoped they would carry out the principle of "letting a hundred flowers bloom and a hundred schools of thought contend" in an all-round way and develop the new products for socialist literature and art.

Li was speaking at the prize-giving ceremony for the first China popular literature awards.

Also present at the ceremony were Wang Zhen, Li Tieying, Bo Yibo, Song Renqiong, and other party and government leaders.

The awards were for full- and medium-length Chinese novels published during the period from 1978 to the end of 1988.

One hundred and forty-six works including 30 novels were nominated. "Cang Sheng", which describes economic reform in Beijing's rural areas, won the special-class prize. The author, Hao Ran, is well known for his works about rural life.

Other winners of the award were five full-length and four medium-length novels.

Chen Yun, Song Renqiong Write Jiao Yulu Slogan

*OW1205140490 Beijing XINHUA in English
1338 GMT 12 May 90*

[Text] Jinan, May 12 (XINHUA)—Veteran Chinese leaders Chen Yun and Song Renqiong wrote slogans recently calling on leading officials across the country to learn from Jiao Yulu, an exemplary official who devoted his whole life to serving the people.

Chen Yun, chairman of the Central Advisory Commission of the Communist Party of China (CPC), wrote: "Learn from Comrade Jiao Yulu, an official who served the people."

Song Renqiong, vice-chairman of the CPC Central Advisory Commission, wrote: "Learn from Comrade Jiao Yulu and serve the people wholeheartedly."

The slogans were written at the request of the people and the CPC organizations of Zibo City, Shandong Province, which was Jiao's hometown, and of Lankao County, Henan Province, where Jiao worked and died, on the occasion of the 26th anniversary of Jiao Yulu's death.

Song Ping, Ding Guangen Meet Defector Seaman

*OW1305235690 Beijing Domestic Service in Mandarin
2130 GMT 12 May 90*

[Text] Two central leading comrades cordially met with some seamen of the former China Merchants Steam Navigation Company in Hong Kong who defected to China [in 1950], and had a group photo taken with them to mark the occasion. The meeting took place in the Great Hall of the People on the morning of 12 May. The two central leading comrades were Song Ping, Standing Committee member of the Political Bureau of the CPC Central Committee, and Ding Guangen, alternate member of the Political Bureau and member of the Secretariat of the CPC Central Committee.

Song Ping said: You and some other seamen resolutely returned to the motherland with your ships 40 years ago. That was a well-known patriotic act praised by the people throughout China. In the last 40 years, you have been working hard and have made positive contributions on various fronts of the socialist construction. Facts prove that you have withstood various tests and are loyal to the socialist motherland. On behalf of the CPC Central Committee and the State Council, I would like to express my heartfelt thanks to you and give my cordial regards to your families.

Song Ping said: Our country has entered a new period. We are facing some difficulties, but we are full of confidence. In the past, we tided over worse storms. The present difficulties are actually nothing and surely we can overcome them.

He urged the seamen to continue working hard with one heart and one mind under the CPC leadership, and to make new contributions to the four socialist modernizations and to the reunification of the motherland in the new period.

Song Ping Inspects Hebei in Late March

*SK1405040190 Shijiazhuang Hebei Provincial Service
in Mandarin 2300 GMT 1 Apr 90*

[Text] During his investigation and study tour in the countryside of Baozhou City from 26 to 30 March, Song Ping, Standing Committee member of the Political Bureau of the CPC Central Committee, held discussions and talks with the local cadres and people on the issues on further perfecting the system of contracted responsibility on the rural household basis with payment linked to output, improving the rural service system, carrying out the method of relying on science and technology to enliven agriculture, and guiding the peasants to follow the path of seeking common wealth.

Song Ping said: It is necessary to stabilize and further perfect the system of contracted responsibility on the rural household basis with payment linked to output. We should perfect the system in order to better maintain the stability of the system. In the course of perfecting the system, we should timely solve new contradictions and problems and ceaselessly strengthen the vitality of the system. Thus, we should proceed from our actual conditions and concentrate our efforts on perfecting the system.

Song Ping pointed out: To solve the problems concerning input to agriculture, we should continuously persist in the principle of linking the state with the collectives and the individuals, and mobilize all layers to increase the input. So long as the investment channels are guaranteed can the reserve strength for agricultural development be enhanced. With more surplus labor forces, the rural areas can find out more channels for providing labor services, such as developing water conservancy projects, improving soil quality, developing afforestation, building and repairing roads. Simultaneously, we can organize the people to improve the environment and the rural production and living conditions.

Song Ping said: Serialization service must keep up with the improvement of the system of contracted responsibility on the household basis with payment linked to output. So, in line with actual conditions, all localities should set up and perfect various types of service organizations. Through providing paid services, these service organizations can develop toward the orientation of self-accumulation and independent management.

At the talks with cadres and people, Song Ping said: Those who become rich ahead of others should help the poor and the backward seek wealth. The townships and villages that become rich ahead of others should help poverty-stricken townships and villages seek wealth. Instead of giving free economic aid we should give technical support, provide economic services, and conduct various forms of economic cooperation to seek mutual benefits and common wealth.

Song Ping said: Party and government cadres should go to the grass roots to temper themselves and go deep to the grass roots to directly keep contacts with the masses and to do concrete deeds for the masses. While going to the grass roots, cadres must neither seek temporary lodgings nor practice formalism.

On 30 March, Xing Chongzhi, secretary of the Hebei Provincial CPC Committee, went to Bazhou City. Comrades Song Ping and Xing Chongzhi exchanged opinions on developing agriculture with some county and city responsible persons of Lanfang City.

Official Interviewed on Intellectuals Policy

*OW1305140690 Beijing XINHUA in English
1351 GMT 13 May 90*

[Text] Beijing, May 13 (XINHUA)—Organizations of the Chinese Communist Party (CPC) at all levels have been urged to further implement the party's policies towards intellectuals and give full play to their initiative and creativity.

Liu Zepeng, deputy head of the CPC Central Committee's Organization Department, said in an interview with "GUANGMING DAILY" and XINHUA reporters that the speech made by Jiang Zemin, general secretary of the CPC Central Committee, marking the May 4th Youth Day is the guiding principle in implementing policies towards intellectuals.

He urged the party organizations to work closely with relevant departments for the purpose.

Leading officials at all levels should often work among the intellectuals to acquaint them with the current political situation, the party's policies, and principles as well as learn about their work and life.

They should also listen to their opinions, suggestions, and complaints and do profound and painstaking ideological work among them, Liu said.

Leading officials should make friends with them and enhance mutual understanding.

The leading officials should pay special attention to ideological work among young intellectuals and encourage them to integrate themselves with workers and peasants.

Better working and living conditions should be created for intellectuals and greater efforts be made to solve their problems, Liu noted.

Urban Population Exceeds 315 Million in 1989

*OW1305102190 Beijing XINHUA Domestic Service
in Chinese 0636 GMT 4 May 90*

[Text] Beijing, 4 May (XINHUA)—According to information provided by the department in charge of household registration under the Ministry of Public Security, when statistics were compiled for the 1989 annual population report China had 446 cities (including municipalities and cities at the prefectural and county levels), or 14 more than in 1988. The urban population was 315.7 million, accounting for 28.6 percent of the total population nationwide. This showed an increase of 14.89 million compared to the 1988 record, or up by 4.9 percent. The nonagricultural population in cities was 146.14 million or 46.3 percent of the total urban population. This was down by 0.4 percent from the 1988 figure. The increase in the total urban population and the decline in the nonagricultural urban population were attributable mainly to the establishment of over a dozen new cities and the change in administrative divisions.

According to the classification of cities by the numbers of the nonagricultural population, there were 30 very big cities in 1989 each with a nonagricultural population of 1 million or more. There were two more such very big cities compared to the number in 1988. They were Jilin City in Jilin Province and Zibo City in Shandong Province.

Newspaper Views 'Learn From Jiao' Spirit

*OW1305133390 Beijing XINHUA in English
1214 GMT 13 May 90*

[Text] Beijing, May 13 (XINHUA)—Today's "PEOPLE'S DAILY" reported that in the past ten years the fine spirit of a former county party secretary is still encouraging the county people in their efforts to change its backwardness.

Jiao Yulu, a former secretary of the Lankao County Committee of the Communist Party of China, is known nation-wide as an exemplary official who had devoted his whole life to serving the people.

Chinese leaders have recently called on leading officials across the country to learn from Jiao Yulu who died of liver cancer in 1964 at the age of 42.

The paper said 261 sandy hills in the county have been afforested, seven million Chinese parasol trees planted, and a hundred shelterbelts built on some 20,000 hectares of farmland.

Lankao near the Yellow River used to be hit by sand storms and floods. In his lifetime, Jiao Yulu led the local people in transforming the sandy areas and improving farmland, sharing their weal and woe.

As a result of the campaign to learn from Jiao, the paper said Lankao's total industrial and agricultural output value in 1989 amounted to 520 million yuan, four times the figure of 1978.

The county's grain output has increased by 60 percent, and the averaged per-capita income has reached 333.4 yuan as against 41 yuan in 1978, the paper noted.

RENMIN RIBAO Views Faith in Communism

*HK1405015390 Beijing RENMIN RIBAO in Chinese
2 May 90 p 3*

["People's Forum" article by Wang Tianbo (3769 1815 3134): "Light the Lamp of Faith"]

[Text] A man must have faith.

A number of people have used metaphors to explain the importance of faith. Some say: "It is the role of the spine to make it possible for a man to stand upright and walk. Faith serves as a firm spine." Some say: "Life is like a mansion, and faith is like the pillar of the mansion. If a man loses the support of his faith, the mansion—namely, the whole of his life—will collapse." Others say: "Faith serves as the signboard for a man's life and a guide to his action." Yet others say: "A man without faith has no soul." We are referring to the scientific faith of a revolutionary, that is, faith in communism.

Comrade Li Dazhao was hanged by the warlord Zhang Zuolin in April 1927. Before his death, Li vehemently issued his last speech: "My death today is not tantamount to the death of communism." "We firmly believe that communism will eventually win a glorious victory in China and the world over."

Comrade Li Lisan was charged with being a "Japanese spy" and thrown into jail by the Soviet public security personnel in February 1938. However, he remained firm in his faith. Some people mocked him: "What's the use of your faith? You worship it, but it does not care about you. It is indeed lamentable and pitiful for you to be thrown into prison for your faith!" He replied with the force of justice: "It is the temporary mistake of some people rather than of communism. Historical misunderstandings will be cleared up sooner or later. Those who vacillate in their faith in communism are lamentable. No, they are really shameful."

Fang Zhimin faced the enemy's lure and threat of death with a fortitude that commanded admiration and respect. He wrote in the enemy's cage: "The enemy can chop off my head, but they cannot shake my faith, because my faith is the truth of the universe!"

Our martyrs remained steadfast and unyielding in their faith and shed their blood to establish a socialist new China.

Many heroes faithful to communism also emerged during the period of socialist construction. They include Lei Feng, Wang Jie, Jiao Yulu, Ouyang Hai, Zhao

Chune, Zhiang Zhuying, and Luo Jianfu. Their exemplary deeds are encouraging more communists and revolutionary people to continue to fight for communism.

Although some revolutionaries of the elder generation experienced adverse circumstances when our party and state were suffering from the decade-long turmoil, and although they were physically injured and mentally affected, they remained steadfast in their faith in communism and their love toward socialism.

When Comrade Liu Shaoqi was suffering from persecution, he encouraged his children by saying, "You must live on and temper yourselves among the masses. Remember, your father was a proletariat so you should also be proletariat; your father was a son of the people so you should also be sons and daughters of the people. You should always follow the party and work for the people."

During the days when He Long was suffering from misfortune, he told his wife Xue Ming: "No matter what happens, you must tell the children to assiduously study Marxism-Leninism-Mao Zedong Thought, have faith in the party, always follow the party, and carry on revolution through to the end! This should be done from one generation to the other!"

Please see what a powerful cohesive and centripetal force communist faith has on revolutionaries. Despite the shoals and twists, the mighty waters of Huang He roll on forward to the sea. The history of our party is one of overcoming difficulties, surmounting setbacks, and advancing toward victory and a bright future. Although we are facing a changing international situation and have encountered difficulties in our current economic construction, they are nothing compared with those we experienced in the past. So long as we remain steadfast in our faith in communism and fight with one heart, no difficulties are unsurmountable.

Let the lamp of faith forever illuminate our road of advance!

People Urged to View Cadres as Hosts

*HK1205070490 Beijing RENMIN RIBAO in Chinese
9 May 90 p 3*

["People's Forum" Article by Wang Zhongben (3769 1813 2609): "Be the Host and Not a Guest"]

[Text] When we went down to the grass-roots units to conduct investigations, comrades there were very warm toward us, offering tea, cigarettes, fruit, and generous meals. Though we repeatedly told them not to bother, they replied: "You are our guests!" This remark reminded me of what had happened to Marshal Peng Dehuai when he was in Shandong.

When Comrade Peng Dehuai arrived at a guesthouse in Yantai [Shandong] in 1955, the table was loaded with the best fruit, cigarettes, and candy. Comrade Peng Dehuai sent for the chief and attendant of the guest house. When they arrived, he told them to sit down and thanked them

for their hospitality. Then he asked: "Do you have money to spend on us?" "Yes, quite a lot," replied the chief. Comrade Peng said: "That money is intended for foreign guests. Just think, if we as masters of the country should eat and drink extravagantly treating ourselves as foreign guests, how can we do a good job in managing financial affairs. In that case it would be strange if we would not go bankrupt! If senior officers who receive handsome wages eat and drink at the public expense, the people cannot but get angered. Is this what we should do if we are leaders of the country? The people do not like such leaders. Trying to win promotion and get rich, and seeking personal privileges, is the Kuomintang's tradition. Should we communists learn from them? Our state and people still face many difficulties." When he finished, he shot a glance at the food on the table. The chief and attendant immediately said: "Okay, we will take them away. We will not do such a thing again."

Comrade Peng Dehuai's remarks show the noble mind of the revolutionaries of the older generation. They are strict with themselves and oppose privileges. That is why our cadres enjoy high prestige and our party cohesive power. However, some cadres did forget the party's fine tradition during the last few years. They put on airs when they went down to the grass roots, seeking personal privileges, and asking for food and wine. If their requirements were not met, they flew into a rage. The masses said angrily: The cadres travel in a car, look at the grass roots through the car window, stay at the guest house, and eat and drink extravagantly, but they do nothing good. When leaving, they only tell you to "work hard," patting your shoulders. These cadres have compromised the party's fine tradition, tarnished the party's reputation, and done damage to relations between the party and cadres on the one hand and the masses on the other.

Recently, the central and local government sent many cadres to the grass-roots units. This is a major measure to make closer the relations between the party and the masses, carrying forward the party's fine tradition, to overcome the existing economic difficulties, and to achieve economic and political stability rather than engaging in formalism. Those comrades who were sent to the grass roots should learn from Comrade Peng Dehuai, regard themselves as hosts rather than guests, and do solid things for the masses rather than trouble them. They should go deep among the masses, share the same food with them, encourage them to speak their mind, and solve problems for them. In everything they do, they should make sure that the masses are satisfied with it instead of otherwise. We should also like to offer a piece of advice to comrades at the basic level: They should be warm toward comrades from the higher organization and offer convenience to them in work, but they should practise frugality in arranging for the daily life of the latter. It is not necessary to bother, the cadres are also hosts.

Further Figures on Passport Applicants Cited

OW1105224590 Beijing XINHUA Domestic Service
in Chinese 0623 GMT 11 May 90

[Text] Beijing, 11 May (XINHUA)—A responsible person of the Exit and Entry Management Bureau under the Ministry of Public Security recently answered some questions addressed by XINHUA reporters.

[XINHUA] Since the Law on Exit and Entry for Citizens took effect, how many Chinese citizens have applied to go abroad on private business, and how many of the applications have been approved?

Answer: "The Law on Exit and Entry for Citizens of the People's Republic of China" was adopted by the 13th Session of the Sixth People's Congress Standing Committee on 22 November 1985. After promulgation, it became effective on 1 February 1986. The State Council later approved and promulgated detailed rules for implementing the Law on Exit and Entry for Citizens. In the last four years, the exit and entry management department of the public security organ has done a good job in accepting, examining, and approving, according to law, applications from Chinese citizens to travel abroad on private business. Both the number of citizens applying to travel abroad on private business and the number of such applications being approved have increased year after year. The number of citizens who actually went to the countries they had intended to travel to after obtaining visas from those countries has risen year after year as well. In 1986, 80,828 citizens applied to travel abroad on private business; 77,064 or 95.3 percent of them were approved. In 1987 there were 118,074 applications of which 107,297 or 91 percent were approved. The number of approvals in 1987 increased by nearly 40 percent over 1986. Of the 244,243 applications in 1988, 212,182 or 86.9 percent were approved. The number of approvals in 1988 was 97 percent more than the figure in 1987. In 1989 there were 248,689 applications, of which 238,301 or 95.8 percent were approved. As compared with 1988, the number of approvals in 1989 increased by 11 percent. The growing number of Chinese citizens travelling abroad is evidence of the growing friendly exchanges between our people and the people of foreign countries. This is a result of the implementation of the policy of opening to the outside world.

[XINHUA] According to the figures you have given, there also have been a number of rejections. Why?

Answer: This question needs a little explanation. The absolute figures may show quite a few rejections, but they are very few in fact. Some applicants were denied passports by the exit and entry management departments of the public security organs according to the law because they were involved in criminal or civil court cases that had not been settled. The number of such rejections accounted for only 0.2 to 0.7 percent of the total applications. As for other applicants who were not issued passports, the main reason was their failure to go through all of the required procedures or to present the

necessary papers. In addition, a small number of people filed their applications with the exit and entry management departments of the public security organs in localities other than those in the localities of their permanent residence. In such cases, the applications were not rejected but were returned to the applicants. In 1988 and 1989, some citizens applied to attend language schools in a few countries. Some of the applications were rejected either because the required foreign documents were bought, or because the existence of those schools was in question. There are many cases like this. Those applicants turned down because they did not have the necessary papers can reapply once they have the papers. In fact, many applicants were issued their passports after they had reapplied. However, our figures seem greater because we count all applications, without taking into account those who reapply.

[XINHUA] How many citizens have left the country once they were issued their passports?

Answer: After obtaining passports from the exit and entry management departments of the public security organs, Chinese citizens also must apply for visas from the embassies or consulates in China of the countries they intend to travel to. It is only after they are issued the visas that they can enter those countries. Although more and more Chinese citizens have gone abroad over the last several years after obtaining foreign visas, they account for only a small part of our passport-holders. In 1986, approximately 40,000 or 51 percent of our passport-holders were issued foreign visas and travelled abroad. In 1987, 53,995 or 50 percent of our passport-holders actually left the country, while in 1988 128,354 or 60 percent of those who obtained our government's approval to go actually went abroad. In 1989, 132,727 or 55.7 percent of the passport-holders made the trip. On the other hand, from 1986 to 1989, over 280,000 or 45 percent of passport-holders failed to secure visas from the countries they had intended to visit and were, therefore, unable to go. This clearly shows that it is not easy to receive a visa.

[XINHUA] Since last year's political disturbance, has there been any change in the number of approvals given to citizens' applications for travelling abroad on private business?

Answer: I have already discussed the 1989 figures on the number of citizens' applications for going abroad on private business and on the number of those who actually went abroad. In the first three months of this year, 19,512 citizens applied in Beijing and Shanghai alone; the number was about the same as that in the corresponding period last year. Of those applications, 15,085 have been approved, an increase of 20 percent as compared to the corresponding period last year.

[XINHUA] It was reported recently that some people with foreign visas were stopped from leaving the country. Why?

Answer: It is true. Over 100 people with foreign visas were stopped from leaving the country. This was due to the irregular actions of a few foreign embassies in China in issuing visas to Chinese applicants. Those people had asked for visas for the purpose of visiting relatives, but the embassies issued "asylum" or immigration visas against the wishes of the applicants. This not only violated international practice but also showed discrimination and contempt toward Chinese citizens. Any sovereign state will oppose such an unfriendly act.

In addition, we recently found that a small number of our citizens pay high prices for the purpose of purchasing foreign passports and documents in an attempt to leave our country with the purchased passports and documents. Many of what they bought were fake passports and documents. We are opposed to such a violation of our Exit and Entry Law. The violators should by no means go abroad, and moreover, they should be dealt with according to the law. Our citizens who intend to go abroad must go through legitimate procedures and must under no circumstances be deceived.

Civil Servants' Code of Conduct Seminar Opens

OW1205204290 Beijing XINHUA Domestic Service
in Chinese 1156 GMT 7 May 90

[By reporter Xue Mantang (5641 3341 1016) and RENMIN RIBAO reporter Chen Guqi (7115 0948 3823)]

[Text] Shijiazhuang, 7 May (XINHUA)—A 10-day seminar to train teachers for the "course in code of conduct for government functionaries," the first of its kind in our country, opened today in Shijiazhuang City, Hebei Province today.

This is the first such seminar held by the Ministry of Personnel to facilitate the implementation of the public service system in our country. It is being attended by cadres of personnel and education departments from various provinces, municipalities, and autonomous regions in north, northeast, and northwest China, and from certain state organs. The Ministry of Personnel demands that the quality of personnel of state organs be raised through training in the code of conduct. It urges government functionaries of all categories and levels to gradually meet the standard code in performing their duties; in conducting political activities; in guarding against corruption; in carrying out specialized work; in keeping state secrets; and in abiding by work ethics; as well as in creating a good image of civil servants through their words, behavior, and social activities.

At the inaugural meeting, Jiang Guanzhuang, vice minister of personnel, called on personnel and education departments at all levels throughout the country to attach great importance to training government functionaries. He urged them to organize a work force for this purpose and to make conscientious efforts to do this

work to improve the administrative quality of government functionaries and enable them to successfully perform their duties to further develop the political, economic, and all other undertakings of our country.

Science & Technology

Membership Gained in 187 Science Organizations

OW1305182390 Beijing XINHUA Domestic Service
in Chinese 0344 GMT 8 May 90

[By reporter Yang Zhaobo]

[Text] Beijing, 8 May (XINHUA)—Chinese scientists have actively participated in international scientific and technological activities, making positive contributions to the scientific and technological development of mankind. By the end of 1989, the China Association for Science and Technology [CAST] and its subordinate societies, associations, and research institutes had joined 187 international civilian scientific and technological organizations. A total of 350 Chinese scientists and scholars hold key positions, including the chairmanship and vice chairmanship, in those organizations.

According to information provided by CAST, China's scientific and technological cooperation and exchanges with foreign countries have grown since the Third Plenary Session of the 11th CPC Central Committee in 1978. China has successively joined such international organizations as the World Petroleum Congress, the International Association for Mathematical Geology, the International Solar Energy Society, the International Society of Surveyors, the World Federation of Engineering Organizations, and the International Society of Relativity and Gravity. CAST officially joined the International Union of Scientific Associations in 1982, and, over the next four years, became a member of all the 20 special federations and 14 committees under the union, as well as other international scientific and technological organizations.

The internationalization of scientific and technological activities is a trend of scientific and technological development in the present-day world. The pace of a country's scientific and technological development depends, to a large degree, on that country's ability to absorb world science and technology, as well as its participation in international scientific and technological activities.

There are frequent international exchanges of academic achievements and experiences with regard to applicable technologies in certain scientific and technological disciplines. Participation in such exchanges to discuss production problems can help solve technological problems. An international academic seminar on oceanic erosion [hai yang fu shi 3189 3152 5201 5793] control held discussions to draw on the collective wisdom of the participants in an effort to help China solve its long-standing problem of protecting the cathodes [yin ji 7113 2817] in its oil wells with depths of 3,000 meters or

more. The seminar has provided China with extremely valuable material on solving this technical problem. Factories and research institutes in China have been able to establish comprehensive ties with their foreign counterparts by attending international conferences. Through its attendance at an international welding conference, the Shanghai Electric Welder Plant was able to establish ties and sign a technological transfer contract with France's (Siec) Company. This has played an important role in the plant's development.

Participation by Chinese scientists in international scientific and technological activities also has enhanced mutual understanding between Chinese and foreign scientists, strengthened the role of Chinese scientific and technological personnel in the international scientific arena, and helped China train more advanced-level scientific and technological personnel.

Military

Official Addresses Issue of Resettling Soldiers

OW1205215790 Urumqi Xinjiang Television Network
in Mandarin 1300 GMT 7 May 90

[From the "Xinjiang News" program]

[Text] [Video begins with a view of a meeting hall and then cuts to a closeup shot of Huang Baozhang addressing the meeting while still seated]. A conference on resettling Xinjiang Autonomous Region's demobilized military cadres in 1990 was held in Urumqi today. Huang Baozhang, vice chairman of the autonomous region and head of the region's leading group in charge of resettling demobilized military cadres, attended the conference and spoke.

He said: Party and government departments at all levels must attach importance to the work of resettling demobilized military cadres, implement the principle of combining training, evaluation, and utilization, and do a good job in giving them professional training before transferring them to civilian jobs to enable them to adapt quickly to the needs of local work. It is necessary to guide them to work in grass-roots units or to work where they are needed. Various localities should give incentives in the form of special job arrangements and wages to military cadres who voluntarily go to work in difficult and remote areas.

Central Military Leaders Visit Medical Academy

OW1305120390 Beijing XINHUA Domestic Service
in Chinese 1300 GMT 8 May 90

[Text] Beijing, 8 May (XINHUA)—Central Military Commission Vice Chairman Liu Huaqing and members Chi Haotian and Zhao Nanqi inspected the Academy of Military Medical Sciences yesterday afternoon and paid cordial visits to some of the intellectuals who had performed exceptionally well in research on military medical sciences.

Liu Huaqing and the other leading comrades watched a live demonstration of research findings and visited a showroom displaying research results. Liu Huaqing said: China established the Academy of Military Medical Sciences in the early 1950's. This shows that our party and government leaders, especially such older-generation revolutionaries as Chairman Mao and Premier Zhou, had foresight and strategic vision. It reflects the emphasis placed on military medical research by the CPC Central Committee and the State Council. He praised the vast numbers of intellectuals at the academy for being worthy of the concern and expectations of the party and the state, and for making tremendous achievements in national defense and national health services.

Having achieved more than 1,000 research results in the past 40 years or so, the academy has now evolved into a high-level, specialized institute that is capable of carrying out comprehensive multidisciplinary research on military medical sciences and technologies.

Liu Huaqing and the other leading comrades met with domestically and internationally renowned scientists working at the academy and had a cordial conversation with them. He solicitously inquired after the recent state of the veteran experts and expressed gratitude on behalf of the Central Military Commission to the broad masses of intellectuals for making enormous efforts to modernize national defense.

Other members of the inspection delegation included Xu Xin, Xu Huizi, He Qizong, Yu Yongbo, Zhou Keyu, and Jiang Bin.

Economic & Agricultural

Integration of Planned Economy, Market Viewed

HK1205014290 Beijing LIAOWANG in Chinese
No 17, 23 Apr 90, pp 21-22

[Report by staff reporter: "A Breakthrough in Two Modes—Wei Liqun on the Integration of the Planned Economy With Regulation by Market Mechanism"]

[Text] [Reporter] Through reform explorations over the last 10 years, the central authorities have decided to integrate the planned economy with regulation by the market mechanism. What does the proposition of this major theory suggest?

[Wei Liqun, director of the Structural Reform and Ordinances Department under the State Planning Commission]: We have not acquired an explicit understanding of the relations between the planned economy and regulation by the market mechanism, and we have also paid a high price in this respect. In previous economic planning and management, we overlooked and even excluded the law of value and the market mechanism but laid stress on mandatory plans and administrative methods. In such cases, production was separated from demand, plans were divorced from the market, enterprises and the entire economy lacked vitality and

vigor, the social productive forces were hampered, and economic results could not be improved. An important development has been witnessed in reforming the economic planning structure for the last 10 years. But there are still differences of opinion on how to handle the relations between the planned economy and the market mechanism. There are also contradictions and problems in our actual work. In particular, several years ago we overstressed the role of the market mechanism and even tried to negate the role of the planned economy, thus seriously weakening our planning and management. We should say that the confusion in many years of economic life is directly connected with our inappropriate handling of the relations between the planned economy and the market mechanism.

The basic knowledge and conclusion we have obtained from years of practice are as follows: To cope with the needs for the development of the planned socialist commodity economy, we must set up economic management and operational structures that combine the planned economy with the market mechanism. Now our proposition on the integration of the planned economy with the market mechanism has negated the theory on accepting the planned economy to the neglect of the market mechanism. It has also negated the viewpoint that the market mechanism must replace the planned economy. This has enabled us to gradually form a structure different from the past one, which was characterized by overconcentration and rigidity. This structure is also different from the market economic structure of capitalist countries. It is a socialist economic structure that really suits China's conditions. Thus we have laid a solid theoretical basis and worked out a basic frame.

[Reporter] In some people's opinions, the planned economy and the market mechanism are different in concept and category, as are the ways in which their role is displayed; because they are contradictory to each other, it is difficult to integrate them.

[Wei Liqun] Fundamentally speaking, the integration of the planned economy with the market mechanism is determined by the nature of China's socialist economy. We have built a socialist economic basis with all-people ownership and collective ownership forming the principal part. The entire social interests emerge on this basis. State political power and economic lifeblood are in the hands of the working people. This has made it possible for the state to regularly and rationally maintain a basic balance between gross supply and gross demand in the national economy and between different departments, to rationally allocate and use financial, material, and other social resources, to effectively coordinate macroeconomic and microeconomic activities, and to promote the planned and proportionate development of the national economy. In addition, because the socialist economy is a commodity economy, the purpose of state plans and management is to serve the development of the commodity economy and the activities of relatively

independent commodity producers and operators. Individual work will be recognized by society through commodity exchange. Thus, under socialist commodity economic conditions, the general laws governing the commodity economy, including the law of value and the law governing supply and demand, will display their role. To carry out planned socialist commodity economic development, it is necessary to bring into play the positive role of the market mechanism, apart from exercising planned management and displaying the strong points of the planned economy. In other words, these two should display their role and functions in the same economic operations. Plans should be used to guide, regulate, and control economic operations and to exercise management over the main aspect of economic operations. But the realization of targets planned cannot be separated from the role of the market mechanism, which in return cannot be divorced from the guidance of plans. Therefore, instead of being contradictory to each other, planned management and the market mechanism are closely related to each other.

[Reporter] Such being the case, what methods do you think should be applied to the integration of these two?

[Wei Liqun] Viewed from the present situation, the integration of these two manifests itself in three forms of economic management. The first form is mandatory plans. The purpose of this form is to portray the overall and fundamental interests of society; it is compulsory and must be implemented. But this form must be implemented by considering the relationship between supply and demand as well as enterprises' interests along with the application of the law of value. In this form, regulation through planning is the principal aspect, whereas regulation through the market only plays an indirect and restrictive role, and regulation through planning is strong but regulation through the market is weak. The second form is guidance plans. This is a new form to organize and manage the economy. The application of this form is aimed at reflecting the demand of the planned economy, to rationally combine the interests of the state, the enterprise, and the individual, and to build a close connection between planned management, commodities, and money. Guidance plans have certain restrictive power and involve the orientation, target, or aim of state economic activities. In this form, economic policies and economic levers are used to guide the market and enterprises so that they will basically comply with state plans. Under guidance plans, enterprises may flexibly arrange their production and operations according to their own interests and market changes, but they must not ignore state plans. Enterprises must follow state plans in carrying out economic activities, otherwise they will harm the state's and their own economic interests. Under this planned management, regulation through planning and regulation through the market can fully display their role. The third form is regulation through the market, which proceeds under the restrictions of state plans and ordinances by adjusting supply, demand, and commodity prices. The state does not work out

detailed plans, and enterprises carry out their production and operations according to market changes. Under this economic management, regulation through the market is the principal aspect and the role of state plans is weak. In short, the role and intensity of regulation through planning vary with different economic management forms, as do the role and intensity of regulation through the market.

[Reporter] Should these three economic management forms be applied according to different ownership forms, different social and production links and spheres, different industrial structures, and different product mixes?

[Wei Liqun] According to the general requirements of China's economic structural reform and the actual situation for the last 10 years, we have practiced mandatory or guidance plans in large and medium-sized state enterprises while allowing some of their economic activities to proceed under regulation by the market mechanism. Guidance plans or regulation by the market mechanism is implemented mainly in collective enterprises. Individual enterprises, private enterprises, and foreign-invested enterprises are required to practice regulation by the market mechanism. Basic industries involving energy production, important materials, transportation, and telecommunications are required to implement mandatory and guidance plans, whereas agriculture, the processing industry, and service trades should go by guidance plans and regulation by the market mechanism. Mandatory plans are also applied to the production of basic commodities, military products, commodities that consume a large amount of rare materials in production, and commodities that require long production periods and large-scale technology and equipment. These products are small in numbers but have a big impact on the national economy and the people's lives. Guidance plans are applied to the production of products that have important bearings on construction and the people's lives. The production of other products, including agricultural products and daily necessities, should be carried out under regulation by the market mechanism. This also applies to service trades and labor services. For example, in the production and circulation fields, mandatory and guidance plans play a less important role in economic activities in the production and circulation fields. But they play a more important role in construction and planned management. In particular, the central and local authorities should exercise planned management over the investment scale and structure of capital construction and major technical transformation projects, while inviting tenders for the use of investments, the designing of projects, and the management of construction. Let me give another example, financial work, loans, and foreign exchange receipts and payments should proceed under mandatory plans. These are only rough explanations. In actual economic life, different natures and relationships of economic activities are very complicated. Therefore a meticulous study is necessary for specific economic work. Adjustments and improvements have to be appropriately made in the integration

of the planned economy with regulation by the market mechanism, depending on different development levels of the productive forces, the commodity economy, the market, economic and social environments, and planned management.

[Reporter] I have been told that there different opinions on the criteria to judge the integration of the planned economy with regulation by the market mechanism. Some people said that the planned economy manifests itself only in mandatory plans; therefore, they judge the quality of integration by whether mandatory plans play a major role. But other people said that mandatory plans were the results of the product economy in the past and should therefore be abolished when practicing the planned commodity economy. These people judge the quality of integration by whether the market mechanism is brought into full play. What do you think?

[Wei Lique] These criteria were formulated out of abstract concepts and are not recommendable. We should use the achievements in reform to judge whether the integration between the planned economy and regulation by market mechanism is good. As soon as the party made a decision on economic structural reform, it explicitly pointed out: In the course of carrying out reform, we should hold firm to the basic viewpoint of Marxism—namely, we should use the development of the productive forces as an important criterion to judge whether our reform has succeeded or failed. This is also the criterion we use to judge whether the integration between the planned economy and regulation by the market mechanism is good; we should not use any other criteria. The development of the social productive forces finds expression in the economic results of society and in the sustained, steady, and coordinated development of the national economy.

[Reporter] The integration between the planned economy and regulation by the market mechanism does not mean taking the old road. Instead, higher requirements have been set for the work of deepening and improving reform and for economic management as well. What should be done to meet these requirements?

[Wei Lique] First, it is necessary to improve the scientific nature and effectiveness of planned management. On the one hand, it is necessary to adjust and improve the form, scientific nature, and seriousness of planned management. At the same time, we should also improve the methods to implement guidance plans. On the other hand, taking account of the new situation in reform and opening up to the world, we should improve and strengthen the comprehensive balance of economic activities, particularly the balance of value. This is the basic method to practice the planned economy. Apart from these two aspects, we should also improve the policymaking system, the regulatory system, and the organizational system.

Second, it is necessary to rectify the market order and gradually improve the market system. To bring the

market mechanism into play, it is necessary to develop the market and regularize the market order. In this respect, the market for commodities should be improved and the market for production materials should be developed. It is also necessary to explore the capital market, the technology market, the real estate market, and the labor force market. There is also a need to rectify the market order, to strengthen the market organization, to formulate market regulations, to set up market standards, and to give guidance to the market so that it will operate in a normal and orderly way. Building such a market is arduous and complicated, but we must work toward this end. The present situation is that there are barriers and blockades everywhere and local markets are separated from each other. This will not last long. In addition, we should also carry out price reform according to the situation and gradually straighten out the price system. In particular, we should solve the "double track system" of prices. When the price system is irrational, it is difficult to bring into play the role of price law and the market mechanism. To develop the market, it is necessary to deepen enterprise reform and put into effect reform measures aimed at expanding enterprises' autonomy.

Third, it is necessary to strengthen the role of economic levers and legal means and to improve the macrocontrol system. Rationally changing economic levers such as prices, taxation, loans, interest rates, foreign exchange rates, and wages is an important method of the state in exercising planned management and is also a precondition for the market mechanism to correctly display its role. In integrating the planned economy with regulation by the market mechanism, it is necessary to pay close attention to the role of economic levers. In this respect we should gradually improve our management over finances, taxation, monetary circles, material supply, commerce, foreign trade, prices, and wages in order to meet the needs of macroeconomic regulation and control. At present, it is particularly important to gradually strengthen the state's macrocontrol power and to increase the percentage of state-allocated financial and material resources as well as foreign exchange. On the other hand, we should strengthen the macroregulatory functions of departments applying economic levers, and effectively adjust the orientation of the market and enterprises' operations. We should earnestly formulate a system concerning auditing, statistics, and industrial and commercial management, as well as economic information; improve our economic legislation; and do a good job in exercising economic supervision. Apart from this, we should also pay particular attention to the formation of a macroeconomic regulatory system based on state plans under which economic, legal, and administrative means will be comprehensively applied. This is an important guarantee for the planned socialist commodity economy to operate healthily and is also a fundamental measure to bring about the prolonged, sustained, steady, and coordinated development of the national economy.

Official Addresses National Taxation Meeting

OW1405022190 Beijing XINHUA Domestic Service
in Chinese 0604 GMT 4 May 90

[By reporter Ding Jianming (0002 1017 6900)]

[Text] Beijing, 4 May (XINHUA)—This reporter has learned from the State Administration of Taxation that, in the first quarter of this year, industrial and commercial tax revenue for the country was about the same as in the corresponding period of last year, and that tax collection work was not carried out very satisfactorily. For this reason, Jin Xin, director of the State Administration of Taxation, stressed here today that an important part of taxation work is to help enterprises increase production and revenue, and to assist them in solving their problems.

At the national taxation work conference held here today, Jin Xin pointed out: Tax collection is an important part of China's economic work. It is at the center of distribution of interests among all sectors, and therefore faces many difficulties and contradictions. How we carry out tax collection directly affects our national economic development. He said: This year, the state's budget is facing a serious situation. Serious problems exist between the fund supply and demand. The state demands that this year's industrial and commercial tax revenue reach 205.8 billion yuan, or 9.5 percent more than last year, which is higher than the industrial growth rate this year. However, due to the current campaign to improve the economic environment and rectify the economic order, the market has become sluggish, industrial growth has dropped excessively, and increasing numbers of enterprises have stopped or reduced production. These problems will definitely pose great difficulties in accomplishing this year's tax collection work.

Jin Xin stressed: Tax collection must help maintain stability and development. Currently, facing the state's economic and financial difficulties, tax collection work should concentrate on helping enterprises increase production and revenue.

Jin Xin pointed out: Currently, enterprises in China are facing problems and difficulties. Taxation departments at all levels should, within the bounds of the government's policies, make full use of the economic leverage of tax collection and use various means to help enterprises solve their problems and increase their production and revenue. In addition, taxation departments should make use of having wide contacts with various sectors of society, of having access to many information sources, of knowing well enterprises' production and sales conditions, and of having good knowledge about financial management; in addition, they should provide more assistance to enterprises. At present, taxation departments' efforts to help enterprises increase production should concentrate on assisting them to make full use of their potential, to improve management, to raise economic efficiency, and to make more flexible use of available funds.

Jin Xin stressed: In assisting enterprises to increase production and revenue by levying, reducing, or returning taxes, or by exempting enterprises from paying taxes, taxation departments must strictly abide by the state's taxation laws and policies. As the economic situation changes, taxation policies will be adjusted accordingly. However, such adjustments must be carried out strictly according to established procedures. No localities are allowed to make their own decisions or to stretch established policies. In particular, all localities must keep within the bounds of their authority in reducing and returning taxes, and in exempting enterprises from paying taxes.

To ensure that this year's tax collection work will be carried out smoothly, Jin Xin urged taxation departments at all levels to properly conduct routine tax collection and taxation management, to properly conduct routine taxation inspection work, to ensure collection of taxes from individual business operators, to tighten control over the sources of regulatory tax for personal income, to tighten supervision over the financial and invoice management of collective enterprises, private enterprises, and individual business operators, and to continue to review the policy on reducing taxes and on exempting enterprises from paying taxes. Jin Xin disclosed that the main points of the efforts of the State Administration of Taxation to review the policy on tax reduction and exemption this year are reviewing tax reduction and exemption for collective and rural enterprises; reviewing tax reduction and exemption for new products; reviewing tax reduction and exemption for economic development zones and new technology development zones; and reviewing tax reduction and exemption for enterprises claimed to be run by collectives, schools, civil affairs departments, and young intellectuals, and enterprises claimed to be newly established.

First Securities Information Network Set Up

OW1105153890 Beijing XINHUA in English
1502 GMT 11 May 90

[Text] Shanghai, May 11 (XINHUA)—The inter-city information network of negotiable securities of the Industrial and Commercial Bank of China, the first of its kind in China, was set up here today.

First, the network will establish an information center on prices of Treasury bonds, collecting and feeding back the various prices of Treasury bonds from and to its member cities once a week so as to coordinate their prices.

Since 1981, China has issued a total of 150 billion yuan (about 31 billion U.S. dollars)-worth of negotiable securities. As of the second half of 1986, official markets in negotiable securities had been set up in Shanghai and other major cities.

In the past two years the national business volume of negotiable securities has approached seven billion yuan-worth.

Experts believe that the establishment of the new network will pave the way for the setting up of a unified national market in negotiable securities.

Bank Chief on Loans, Credits Regulations

*OW1405084190 Beijing XINHUA in English
0557 GMT 14 May 90*

[Text] Beijing, May 14 (XINHUA)—Li Guixian, governor of the People's Bank of China, the country's central bank, said China will continue to tighten its control of money supply while properly regulating loans and credits if necessary.

In an article in today's "PEOPLE'S DAILY," Li said China had appropriately increase the amount of loans issued during the first three months this year in order to help improve a sluggish market, low industrial growth and debt defaults between enterprises.

Such regulation was made in line with actual economic conditions while controlling the total amount of loans.

The governor said China maintains a balanced loan and credit structure mainly through planning. Such a plan is worked out in accordance with the national economic and social development plan.

In practice, Li said the central bank controls the supply of loans and credits by way of quota. But, different economic conditions and demands on loans and credits require regulation in different periods and localities.

For example, Li Guixian said every year the fourth quarter has the highest demand on loans and credit funds for it is the time to purchase agricultural produce and products for export. Generally, 65 to 70 percent of the loans are issued in the fourth quarter. During this period of last year, the amount of loans and credits accounted for 67.5 percent of the annual total, he noted.

So, he said it is necessary to regulate the supply of loans in different seasons while maintaining the planned loaning scope.

Contracts Established With Overseas Shipowners

*OW1205090090 Beijing XINHUA in English
0808 GMT 12 May 90*

[Text] Beijing, May 12 (XINHUA)—China contracted to build eight vessels, totaling 400,000 dead-weight tons (DWT), for overseas shipowners in the first four months of this year, according to the China State Shipbuilding Corporation (CSSC) here today.

The vessels, to be built for Norway, Belgium and Hong Kong, include six oil tankers and two roller ships.

Last year, Chinese shipbuilders only won contracts to build ships totalling 270,000 DWTS.

Experts note that the pick-up of the world shipping market and, more significantly, the increased competitiveness of China's shipbuilding industry have created good prospects for its ship exports.

China, the fifth largest shipbuilder in the world, is currently pushing ahead with a program to boost its shipbuilding capability, with new docks being added at major shipyards.

Sources here say a new 200,000-DWT dock, now under construction, is expected to be operational in 1992.

CSSC officials said many foreign shipowners have come to discuss contracts since the beginning of this year.

Thirty High-Technology Parks Established

*OW1105193190 Beijing XINHUA in English
1335 GMT 11 May 90*

[Text] Nanjing, May 11 (XINHUA)—China has built 30 high-technology industrial parks in recent years.

Most of these parks are located in the country's leading industrial centers such as Shanghai, Tianjin, Beijing, Shenyang, Xian, Guangzhou and Wuhan, where advanced equipment and skilled labor are available.

According to statistics from the first 15 high-tech industrial parks, more than 2,000 enterprises manufacturing high-tech products have been set up there, with a total of 50,000 employees.

The central government is working out unified preferential policies concerning high-tech industrial parks to boost their development.

Preferential Treatment for High-Technology Zones

*OW1205082190 Beijing XINHUA in English
0708 GMT 12 May 90*

["Roundup: High-Tech Zones To Boost China's Economy"—XINHUA headline]

[Text] Nanjing, May 12 (XINHUA)—In 1989 most Chinese enterprises slowed production as their inventories rapidly expanded, but production and sales by enterprises in the country's 30 high technology development zones flourished.

Economists and researchers attending the on-going national conference on high-tech industry here predict China's high-tech zones will become an important part of the country's national economy.

Since China's first new technology industry development zone, Shenzhen Science and Industry Park, was set up by the Chinese Academy of Sciences in 1985, some 30 high technology development zones of various kinds have been established in coastal areas and industrial cities, such as Beijing, Wuhan, Nanjing, and Shenyang.

More than 2,000 high-tech enterprises employing 50,000 workers operate in these high-tech zones. Last year the total sales of these firms reached 2.6 billion yuan, and their foreign exchange earnings totaled 56 million U.S. dollars.

Tens of thousands of Chinese scientific personnel have plunged into economic development work since the establishment of high-tech development zones.

"A large number of university professors and scientists have taken advantage of this opportunity to give full play to their abilities," remarked Li Xuer, vice-minister of the State Commission of Science and Technology.

According to Li, many of these scientists have taken out bank loans to start businesses and develop new products which are highly competitive.

One hundred forty universities and research institutes have set up new technology and high-technology firms in the Beijing new technology development zone. Over 3,300 scientists from the Chinese Academy of Sciences have started 154 new technology companies in this "special scientific zone."

Over the past year, enterprises in these high-tech development zones have begun to merge into group corporations to take advantage of economies of scale. Some have become trans-international. In Beijing high-tech zone alone, there are at least 50 enterprises whose annual sales are above five million yuan.

The Chinese Government is giving preferential support to the development of the high-tech zones. Favorable financial, tax, foreign trade and customs treatment have been worked out for enterprises in these zones.

In order to facilitate foreign travel by Chinese businessmen and technicians, procedures for personnel in the Beijing high-tech zone to travel abroad have been greatly simplified by the local government.

Preferential policies, including tax reductions and exemptions, have attracted many Chinese universities and research institutes, and also brought many foreign and joint ventures into the zones.

There are now 32 foreign and joint enterprises operating in the Beijing high-tech development zone and 14 in Shanghai high-tech zone.

China plans to create 4,000 new high-tech enterprises employing 300,000 workers and 5,000 new high-tech products with sales totaling 20 billion yuan by mid-1990s.

National Drive To Deal With Debt Defaults

OW1005064390 Beijing XINHUA in English
0545 GMT 10 May 90

[Text] Beijing, May 10 (XINHUA)—The State Council has initiated a national drive to deal with debt defaults by enterprises.

By the end of last month, China's three municipalities, Beijing, Tianjin and Shanghai, as well as its northeastern provinces had dealt with nearly 10 billion yuan (about 2 billion U.S. dollars) in defaults, the "PEOPLE'S DAILY" reported today.

Economists say many problems remain. In the northeast alone, nearly 10 billion yuan in debts remain in arrears.

The widespread defaults have left many enterprises without operating funds needed to finance production and buy raw materials.

The central government has called on local authorities to take an active part in the drive to solve the problem.

Insurance Service for Joint Ventures Expanded

OW1405121990 Beijing XINHUA in English
1138 GMT 14 May 90

[Text] Beijing, May 14 (XINHUA)—China has established a network of insurance company offices specializing in serving joint ventures in a bid to improve its investment environment.

Ding Yunzhou, deputy general manager of the overseas business department of the People's Insurance Company of China (PICC), said that since 1979 when China's Guangdong Province first began to insure joint ventures, PICC has set up about 3,000 branches or offices across the country to serve joint ventures.

The state has enacted laws and regulations to regulate the industry, Ding said, while PICC has adopted internationally recognized business procedures to meet the requirements of joint ventures.

Ding's department provides over 30 kinds of insurance services for joint ventures. About 80 percent of all joint ventures are covered by PICC.

Production Picks Up at Rural Enterprises

OW1105082390 Beijing XINHUA in English
0715 GMT 11 May 90

[Text] Beijing, May 11 (XINHUA)—After a difficult year, the production of rural enterprises in 18 of China's provinces and municipalities has picked up, according to the overseas edition of today's "PEOPLE'S DAILY."

The first quarter output value of township enterprises in these areas was 6.3 percent more than in the same period last year.

The production of export-oriented enterprises rose sharply. The exports of rural enterprises in these areas in the first quarter was 38.2 percent higher than in the first quarter last year.

Agriculture Minister Outlines Development Goals

OW1405064690 Beijing XINHUA Domestic Service
in Chinese 0546 GMT 4 May 90

[By reporters Sun Yinglan (1327 5391 5695) and Wang Yi(3769 3015)]

[Text] Chengdu, 4 May (XINHUA)—Addressing the first national symposium to discuss the development and popularization of three-dimensional agriculture [li ti nong yi 4539 7555 6593 2814], organized and convened by the Chinese Science and Technology Association, Minister of Agriculture He Kang stressed the necessity of boosting the steady, stable, and intensive development of agriculture by relying on science and technology.

He Kang said: China is a big agricultural country. Of its 1.1 billion people, about 800 to 900 million live in the countryside. Agricultural questions, rural questions, and other questions concerning peasants are major questions having a bearing on China's political and economic stability. In the past 40 years since the founding of New China, agricultural development in China has met with twists and turns, but we have been able to support a population accounting for 22 percent of the world's total with only 7 percent of the arable land. This achievement is tremendous. Particularly since the Third Plenary Session of the 11th CPC Central Committee, reforms in China's countryside have upgraded agricultural production to a new level.

He Kang said in his speech: If we seriously review the present state of agriculture in China, we find that there is no reason to be optimistic. In the next 10 years China's population may exceed the 1.3 billion mark, but arable land is shrinking every year. As the population increases, the amount of needed grain also increases from 10 to 15 billion kilograms a year. Whether we can increase the total grain output from the current level of over 400 billion kilograms to over 500 billion kilograms by the end of this century, while at the same time ensuring corresponding increases in the output of other farm, forestry, livestock, and sideline products is a matter of great importance to our general strategic goal—whether the national economy will continue to develop in a sustained, stable, and coordinated manner and whether China will be able to achieve a relatively comfortable standard of living. Moreover, the environment for agricultural development urgently needs to be improved, because China's agricultural capital construction is still fairly weak, and because China lacks agricultural reserves, and is short of per capita agricultural resources and capacity for sustained agricultural development. Therefore, in the next 10 years the tasks for the agricultural front are arduous, and the situation is serious. The grave challenges will not allow us to remain optimistic.

However, we should also note that there is great potential in China's agriculture. To boost agricultural production, we must first strive to raise the per-unit yield of farm products, increase grain output year by year, combine traditional techniques with modern science and

technology, and transform middle- and low-yielding farms into stable- and high-yielding farms. We can do this if we have the determination. Next, we should open up more wasteland for farming and increase the multiple crop index. By opening up wasteland for farming, we can make up for the cultivated land which has been used for other purposes. In this way, the acreage of cultivated land will not decrease. There is great potential to increase grain output by promoting intercropping, popularizing perennial crops, and increasing the multiple crop index. Third, it is necessary to boost agricultural development by relying on science and technology. At present, China's main agricultural problem is insufficient investment. Since the country's strength is limited, it is impossible to increase investments by a large margin. This requires that the masses on the agricultural front strive to develop agricultural production by tapping the potential in their respective areas and making good use of science and technology. The masses of scientists and technicians, particularly agricultural scientists and technicians, should take the lead in developing agriculture with science and technology by helping peasants to promote scientific farming and carry out comprehensive programs of agricultural development.

Touching on the question of three-dimensional agriculture, He Kang said: The current national meeting to discuss the development and popularization of three-dimensional agriculture is in keeping with the country's reality and the situation regarding the peasants and the people. It is a concrete manifestation that China's agriculture is developing in depth. Three-dimensional agriculture means the comprehensive development of agriculture by making good use of space, time, land, water areas, climate, science, and technology and by making a certain amount of investment. It is a labor-intensive, technology-intensive method of production at different levels and also a mode of production that shows that agriculture is developing in depth. Miyi County in Panxi Prefecture, Sichuan Province, has gained many experiences in this respect, which are worth learning from.

He expressed the hope that the experts and representatives to the symposium would take advantage of the opportunity to exchange experiences, promote one another, and make positive contributions to upgrading China's agriculture to a new level.

Agriculture To Stress Biological Technology

OW1405055290 Beijing XINHUA Domestic Service
in Chinese 0414 GMT 7 May 90

[By reporter Chen Jinwu]

[Text] Beijing, 7 May (XINHUA)—In the next five to 10 years, China will stress biological technology in agricultural production by promoting the study of biological factors, seed quality, physiological action, plant diseases and pests, and ecological conditions.

This reporter has learned from a report by the Ministry of Agriculture to the third meeting of members of the

biology division of the Chinese Academy of Sciences that in the next five to 10 years, our country's agricultural production will stress studying the biological factors by further classifying categories and distribution of various biological species in China and evaluating their fine and bad genes for utilization. At the same time, a systematic study of genetic factors will be conducted.

In improving biological species, emphasis will be put on studying the advantages of crossbreeding and hereditary factors, the law of disease resistance of crops, the law of quantitative and group inheritance of biological species, and the control of their sex.

In studying the physiology of crops, stress will be placed on studying photosynthesis, nitrogen assimilation, the influence of growth hormones on crops, the influence of nutrition and metabolism on livestock and plants,

immunization factors of livestock and plants, the transmission of matter [WU ZHI YUN ZHUAN 3670 6347 6663 6567], and the distribution of information.

In the control of principle pests and plant diseases, stress will be laid on studying the biological law of pests, the growth trend for pests, hidden ecological factors, insecticide resistance factors, and the theoretical study of biological control methods and use of chemicals.

In studying agricultural ecology, stress will also laid on watching and evaluating the long-term quantitative and quality change in soil conditions, water, and weather; studying agricultural environmental protection and improvement; and studying the theory of reasonable utilization. In addition, emphasis will also be put on the study of the development of forests, grasslands, water sources, and crops.

East Region

Anhui Provincial CPPCC Ends Third Session

OW1405023390 Hefei Anhui Provincial Service
in Mandarin 1000 GMT 23 Apr 90

[Announcer-read report by stations reporters, with recorded portions: "The Third Session of the Sixth Anhui Provincial Chinese People's Political Consultative Conference Committee Has Concluded Successfully;" from the "Provincial Hookup" program]

[Text] The Third Session of the Sixth Anhui Provincial Chinese People's Political Consultative Conference [CPPCC] Committee came to a solemn conclusion in the Grand Jianghuai Theater in Hefei this afternoon. Chairman Shi Junjie and Vice Chairmen Xu Leyi, Wang Zenong, Sun Youqiao, Pan Ezhang, Ma Leting, Guang Renhong, Teng Maotong, Meng Yiqi, Liu Yiping, and Zhao Huaishou of the provincial CPPCC Committee were seated in the front row of the rostrum. Provincial party, government, and military leaders and responsible persons of the units stationed in Anhui Province, including Lu Rongjing, Fu Xishou, Wang Guangyu, Meng Fulin, Yang Yongliang, Hou Yong, Liu Guangcai, Wang Shengjun, Shi Lei, Shao Ming, Zheng Rui, Ying Yiquan, Kang Zhijie, Chen Tingyuan, Yang Jike, Chen Tianren, Du Hongben, Wang Sheyun, Du Yijin, Wu Changqi, Li Yuanxi, Hua Zeqing, and Zhao Zhunyi, attended the meeting and offered warm congratulations on its success. They were also seated on the rostrum. Zhang Kaifan, Sun Zongrong, Li Qingquan, and Zhu Nong also attended the meeting. Also seated on the rostrum were Yin Shuxun, secretary general of the provincial CPPCC Committee, Zhang Binglun, head of the United Front Work Department of the provincial party committee, and some members of its Standing Committee. The executive chairmen of the meeting were Xu Leyi and Teng Maotong.

Wang Jie, Shi Jinhui (female), Ning Yinan, Li Zegong, Chen Dehui, Hong Min, Shi Zuoyi, and Tan Buzhen were voted members of the Standing Committee of the provincial CPPCC Committee by a show of hands during a by-election.

The meeting approved the political resolution of the Third Session of the Sixth Anhui Provincial CPPCC Committee, the resolution on the work report submitted by its Standing Committee, and the report submitted by its Motions Committee on examination of the motions put forward during the third session.

Chairman Shi Junjie spoke at the meeting.

[Begin Shi recording] Dear members and comrades: The Third Session of the Sixth Anhui Provincial CPPCC Committee has completed all items on its agenda and will end today. Assuming a high degree of political responsibility and adopting a realistic approach, all the members attending the session have shown devotion and spoken their minds freely to discuss the important affairs

of the province. They have put forward a number of valuable views and made many valuable suggestions. As was expected, the session proceeded in a democratic, harmonious, and invigorating atmosphere from beginning to end. It is a meeting that has been held in a democratic manner and that seeks truths, demonstrates unity, and inspires enthusiasm. In the past year, our country has won a battle of.... [recording fades out, replaced by announcer's paraphrase of Shi's comments]

Shi Junjie said: The CPPCC Committee is a patriotic united front organization that encompasses most sectors of our society. Its fundamental tasks are uniting all forces that can be united to be dedicated heart and soul to the same cause, bringing every positive factor into play, pooling the wisdom and efforts of everyone, tenaciously emphasizing the central task of economic development, adhering to the four cardinal principles, and persisting in the reform and open policy so as to maintain stability and unity in our country and promote further steady political, economic, and social development under the leadership of the CPC. It is necessary for CPPCC committees at all levels to carry on their work with these central tasks in mind in the new year ahead.

Shi Junjie pointed out: Early last year, the CPC Central Committee approved and relayed the provisional regulations on political consultation and democratic supervision adopted by the CPPCC National Committee. Not long ago, the CPC Central Committee again promulgated the "Opinion on Persisting In and Improving the System of Multiparty Cooperation and Political Consultation Under the Leadership of the CPC." These two documents are very important. It is incumbent on the CPPCC committees at all levels throughout the province to look upon implementation of the important documents issued by the central authorities as a constant and important task and handle it accordingly in the year ahead.

[Begin Shi Junjie recording] Dear members and comrades: The undertakings of socialist construction are making steady progress in our province and in our country under the correct leadership of the CPC Central Committee and the Anhui Provincial CPC Committee. Though we still face many difficulties, history and reality have proved that we shall definitely be able to surmount the difficulties and keep forging ahead so long as we continue to hold high the banner of socialism and patriotism, unite as one, persist in the basic line of the party, and steadfastly have confidence in and rely on the masses. Let us rise with force and spirit, dedicate ourselves heart and soul to the same cause, rouse ourselves with vigorous efforts to make the country prosperous, and make active contributions to promoting further steady political, economic, and social development in our province, building socialism with Chinese characteristics, and bringing about the peaceful reunification of the motherland under the leadership of the CPC Central Committee and the Anhui Provincial CPC Committee. [applause] [end recording]

The Third Session of the Sixth Anhui Provincial CPPCC Committee satisfactorily completed all items on its agenda and drew to a successful conclusion with the playing of the national anthem.

Jiang Chunyun Holds Talks With Students

SK1105073790 Jinan Shandong Provincial Service in Mandarin 2200 GMT 10 May 90

[Excerpt] On the morning of 10 May, Jiang Chunyun, secretary of the provincial party committee; Ma Zhongcai, Standing Committee member and secretary general of the provincial party committee; Li Zhen, chairman of the provincial People's Congress Standing Committee; and Lin Ping, vice chairman of the provincial People's Congress Standing Committee, respectively visited Shandong Industrial University and Shandong Economic Institute and studied the important speech made by General Secretary Jiang Zemin at the report meeting to commemorate the 71st anniversary of the 4 May Movement together with university students.

After hearing the speeches made by students of Shandong Industrial University, Jiang Chunyun said: Comrade Jiang Zemin's speech clearly answers, obviously in line with Marxist viewpoint and closely in light of the current actual conditions, a series of major questions related to intellectuals that the people are generally concerned about, and comprehensively and systematically expounds the issue on how to carry forward the tradition of patriotism under the new historical age, the intellectuals' positions and functions, their historical missions in the new situation, and the party's policies and principles toward intellectuals. What carries conviction is that the speech helps the people clear up many misunderstandings and wrong ideas.

Comrade Jiang Chunyun pointed out: Comrade Jiang Zemin's speech is meticulous and profound and is full of strong conviction, attraction, and cohesive power. So, his speech is a programmatic document. It not only arouses and inspires the enthusiasm of the broad masses of intellectuals but also guides party committees and governments at various levels to achieve the work toward intellectuals.

In regard to the path for the growth of intellectuals, Comrade Jiang Chunyun pointed out: The intellectuals, who only have book knowledge but do not temper themselves through practical work, are of no great use. If there is a shortcut for growing up and becoming skilled persons, the key to passing the shortcut is to integrate intellectuals with the broad masses of workers and peasants and engage themselves in practical work. Young intellectuals with lofty ideals should be brave to go to the grass roots, engage in practical work, face the world, and brave the storm. Linking individual fate with the destiny of the country and the nation is an accurate path for healthy growth. Only by so doing can we overcome our shortcomings and realize the value of life at the time of transforming the objective world.

Comrade Jiang Chunyun said: The intellectuals of the present age should have a sense of responsibility, a sense of crisis, and a sense of mission. Instead of indulging in idle talk and idle dreams, intellectuals should do concrete deeds in a down-to-earth manner; strive to turn theoretical knowledge into productive forces as soon as possible; and dedicate their wisdom, abilities, and strength to the building of socialist modernization, reform, and opening to the outside world.

Jiang Chunyun also encouraged the students to carry forward the tradition of patriotism, observe the party's basic line, strive to study Marxism-Leninism-Mao Zedong Thought, make efforts to upgrade their ability in doing professional work, strengthen the sense of national pride, make sure to grow up healthily along the road of linking theory with practice and integrate themselves with the broad masses of peasants and workers, contribute wisdom and knowledge to the realization of the great historical task of socialist modernization, and undertake the glorious mission entrusted by history. [passage omitted]

Shanghai People's Congress Holds Meeting

OW1405023290 Shanghai City Service in Mandarin 2200 GMT 27 Apr 90

[Text] On 17 April the third session of the ninth Shanghai municipal People's Congress held the fourth meeting of its presidium, which was presided over by Wang Chongji. Liu Wenqing, deputy secretary general of the municipal People's Congress made a report to the presidium on panel discussions held by various delegations to examine the work of the Standing Committee of the municipal People's Congress, the work of the Shanghai Municipal Higher People's Court, and the work of the Shanghai Municipal People's Procuratorate.

In his report, Liu Wenqing said: Deputies attending the current session have fully affirmed the remarkable work and achievements made by the Standing Committee of the municipal People's Congress in the past year. During the period of turmoil and counterrevolutionary rebellion last year, the Standing Committee of the municipal People's Congress took a firm and clear-cut stand and resolutely defended the dignity of the Constitution and law, thus contributing to stabilizing the general situation in the country and in Shanghai. The Standing Committee also made effective efforts in legislative work. Some deputies held that the People's Congress should strengthen the propaganda and implementation of laws and further develop its role of supervision in a systematic manner.

Liu Wenqing said: The deputies generally held that in the past year, the municipal Higher People's Court and the municipal People's Procuratorate have done a lot of hard work to ensure stability and unity in society, promote honesty in performing official duties by government organizations at various levels, and protect people's life and property. In particular, they have achieved significant results in persisting in the struggle against

embezzlement and bribery. In their examination, the deputies called for strengthening propaganda and education about the socialist legal system, handling cases in a prompt and strict manner, resolutely cracking down on those who commit serious crimes, strengthening comprehensive measures to prevent crimes, doing a good job in ensuring public security in society, and paying attention to quality and the building of contingents of judicial workers in order to further improve the work of the municipal Higher People's Court and the municipal People's Procuratorate and to defend social stability.

Yesterday's presidium meeting adopted a draft resolution on the work of the Standing Committee of the municipal People's Congress and draft resolutions on the work of the municipal Higher People's Court and the municipal People's Procuratorate. The meeting also heard a report by (Shen Zhonghan), deputy chairman of the Law Committee of the municipal People's Congress, on results in examining the draft rules of procedure of the Shanghai Municipal People's Congress and a report by (Lin Wenqing), deputy chairman of the Law Committee of the municipal People's Congress, on results in examining a draft decision on revising the handling of proposals by deputies. The two drafts will be distributed to various delegations of the municipal People's Congress for examination.

Li Zemin Addresses Meeting on Construction

OW1305235790 Hangzhou Zhejiang Provincial Service in Mandarin 0900 GMT 7 May 90

[From the "Provincial Hookup" program]

[Text] A provincial work meeting on construction of key projects ended in Hangzhou today after four days in session.

Li Zemin, secretary of the provincial party committee, spoke at the meeting. He said: The construction of key projects plays a very important role in the national economy and occupies a special position in our province. The industrial structure in our province has its own strong points and salient features; however, it also has conspicuous structural contradictions primarily manifested in relatively weak basic industries and infrastructure. Though considerably vigorous efforts have been made to improve the energy and communications sectors of the infrastructure over the past few years, and great improvement has been made in this regard, they are still far from meeting the needs of our economic construction and the needs of further reform and opening to the outside world. Therefore, it is absolutely necessary that we use our funds, though very limited, for the construction of key projects. This has a bearing on the readjustment and improvement of the industrial structure in our province, which is the basis for further economic development as well as our success in promoting further reform and open policy. If we fail to do a good job in promoting construction in the energy and communications sectors of the infrastructure, including

the production of [words indistinct], the prospect for Zhejiang's economic construction, including agriculture, will be bleak.

Regarding this year's construction of key projects, Comrade Li Zemin emphasized: It is entirely correct for us to focus our attention on construction in the agricultural, communications, and energy sectors of the infrastructure. Even though quite a number of difficulties are confronting us in our economic work at present, we must not relax our efforts in the construction of key projects. We should actively seek approval for key projects if we can. If funds are insufficient, we should strive to open up sources and seek foreign investment. We should pay attention to investment efficiency in our construction of key projects. We should continue to apply the successful experience of (?inviting) bids gained in the course of reform. Meanwhile, we should be meticulous in design and construction, shorten the construction time as much as possible, and guarantee good quality. All localities should strengthen their leadership over the construction of key projects and do all they can to provide good services.

Comrade Li Zemin made a special trip to the construction site of the Qiantang Jiang No. 2 Bridge, a key construction project, on 6 May to call on the construction workers there. Comrade Li Zemin said: The broad masses of cadres, staff, and workers on the front of the major construction projects live far away from their hometowns on the job sites where construction conditions are poor and are separated from their families for a long period of time. Braving severe cold and intense heat, they have been working hard and have made very great contributions to the state. We must make vigorous efforts to publicize their deeds.

Vice Governor Chai Songyue delivered a summing-up report and made some arrangements at the meeting.

Central-South Region

Guangdong Students Sent to Countryside, Factories

HK1305050090 Hong Kong MING PAO in Chinese 3 May 90 p 9

[Special article by Chih Hu (3069 3275): "Guangdong College Students Are Sent to Factories and Countryside as the 4 June Anniversary Approaches"]

[Text] Groups of college students have been sent to Guangdong cities and counties including Zhongshan, Dongguan, and Baoan recently to conduct social investigations. The college students have gone down to factories and rural areas, held talks with government officials, personally observed the social changes over the decade, and gained understanding of the feelings of the people. Since the 4 June incident last year, this is a move taken by the Guangdong higher education authorities to strengthen ideological and political work among college students and conduct education in national and people's

conditions. It has been reported that this form, which is better than dull classroom teaching, is easily accepted by college students.

Last December Shenzhen's Baoan County received the first group of students from Zhongshan University, Jinan University, and Huanan Engineering Institute. Last month the county received the fourth group of students. The 11 cities and counties opened up for social investigations and practice like Baoan County include Zhongshan, Dongguan, and Shunde. Each city and county has planned this year to make arrangements for 10 groups of students. The Guangdong Higher Education Work Committee in charge of ideological and political work in universities and colleges issued a document, urging the party and government at all localities to act in coordination and enable Guangdong's 100,000 college students to have an opportunity to take part in the investigations during their four-year study.

Through social investigations, the higher education authorities want college students to deepen their understanding of social organizations and increase their confidence in the party. Guangdong's economic achievements in urban and rural areas over the past decade are the main contents of social investigations. To attain this objective, the authorities have arranged the investigations in the rich and populous cities and counties in the Zhujiang delta so that the students can personally witness the difference in the area before and after reform. Apparently, the authorities have satisfactorily achieved the desired results. This author found that a number of students acquired a profound understanding after the investigations and realized that the current policy can bring further prosperity to Guangdong. GUANGMING RIBAO on 23 April frontpaged the students' personal experience gained through the investigations. The students expressed their determination to contribute to social and economic stability.

To strengthen political education among college students, Beijing University and other colleges sent students to receive military training in the Army and Shanghai institutions of higher learning encouraged students to take part in labor in factories and rural areas for half a month. According to an official, the method of social survey, a unique style adopted for Guangdong institutions of higher learning, has been affirmed by Jiang Zemin who urged other provinces and municipalities to follow the example, seek better ways for reform, and let college students take part in investigations and practice. Guangdong has decided to continue to encourage college students to participate in social practice.

Guangdong college students are relatively calm at present. Some posters carrying slogans appeared in colleges a few days ago. It has been reported that the problems were promptly solved. Zhongshan University will hold its Fourth Art Festival this month. Other universities and colleges will also hold similar activities. An official of the Guangdong Higher Education Work Committee said they have realized that May and June

constitute a sensitive period. On the one hand, universities and colleges should continue to organize students to conduct investigations in rural areas; and on the other hand, they should strengthen ideological and political work to ensure stability.

Lin Ruo Talks to Hong Kong Deputies

HK1105143090 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 11 May 90

[Text] Yesterday afternoon, the United Front Work Department of the Guangdong Provincial CPC Committee invited Hong Kong and Macao deputies to the third plenary session of the seventh Guangdong provincial People's Congress to Zhudao Hotel where Lin Ruo, secretary of the Guangdong Provincial CPC Committee, Ye Xuanping, deputy secretary of the Guangdong Provincial CPC Committee and governor of Guangdong Province, and some other provincial party and government leaders met and held talks with them and listened to their views.

Ma Yuandong, deputy to the Guangdong Provincial People's Congress and advisor to the Hong Kong deputies' delegation, said that the year 1990 marks the 150th anniversary of the Opium War. The Basic Law of the PRC Hong Kong Special Administrative Region has just been promulgated. Therefore, Hong Kong, Macao, and Guangdong should make every possible endeavor to further strengthen their existing relations of cooperation between one another.

Ye Ruolin, deputy to the Guangdong Provincial People's Congress and vice president of the Hong Kong Chinese Chamber of Commerce, said that Governor Ye Xuanping called in his "Government Work Report" for redoubled efforts to promote the building of a clean government. This call enjoys popular support among the broad masses of the people. He hoped that Guangdong will make greater efforts to improve her investment environment, perfect her existing legal system, practically safeguard the legitimate rights and interests of all the foreign investors, and further strengthen economic cooperation with the Hong Kong and Macao regions in the 1990's.

All the Hong Kong and Macao deputies to the Guangdong Provincial People's Congress expressed satisfaction over the achievements made by Guangdong Province in maintaining overall stability and also put forward a lot of valuable views and proposals aimed at boosting Guangdong's future development.

At the forum, Governor Ye Xuanping answered all the questions raised by the Hong Kong and Macao deputies and offered explanations whenever necessary.

Secretary Lin Ruo also delivered a speech at the forum.

In his speech, Secretary Lin Ruo said that he unquestionably believed that relations between Hong Kong, Macao, and Guangdong will be further strengthened in

the 1990's. He called for continued and concerted efforts to further strengthen economic, technological, and cultural cooperation between the three neighboring regions so as to promote common prosperity in all the three regions

New Mayor of Shenzhen Confirmed

HK1205022990 Hong Kong SOUTH CHINA MORNING POST in English 12 May 90 p 8

[By Daniel Kwan in Guangzhou]

[Text] It was confirmed yesterday that the party chief of the Guangdong city of Xuzhou, Mr Zheng Liangyu, will become the next mayor of Shenzhen, as predicted in the SOUTH CHINA MORNING POST last week.

Mr Zheng will take up his post later this year, when the local People's Congress is formally established.

The Shenzhen vice-mayor, Mr Zhou Xiwu, said yesterday the central government had approved the personnel change and Mr Zheng would be appointed the new mayor in October.

The incumbent mayor, Mr Li Hao, will remain as party chief, the most senior position in the special economic zone.

Mr Zhou also disclosed that Mr Zheng was now in Shenzhen to familiarise himself with the policies of the zone.

Mr Li was originally scheduled to take part in the congress in Guangzhou but he is on an inspection tour in Japan.

Mr Li will return to Shenzhen later this month to brief Mr Zheng on his new job.

According to Mr Zhou, who is also the director of the preparatory committee of the Shenzhen People's Congress, the parliamentary body's first task will be to formally elect the new mayor and vice-mayors for the zone.

Mr Zhou declined to say whether other high-level personnel changes besides Mr Zheng's replacement of Mr Li are being contemplated.

However, it was almost certain Mr Zhou would become the chairman of the new congress, after which he would step down from his government job.

"I believe if I am given the job of the chairman of the congress, it will be a promotion to me," he said.

It has been speculated that Mr Zhou would be relieved of his vice-mayor's position because of "economic mistakes".

"I did not make any public appearance from last October till the Chinese spring festival this year because I had a serious eye problem," he said.

"I was told by doctors that I have to stop working and receive treatment at hospital," he said.

"All those press reports about me being punished for making economic mistakes were not accurate," he said.

Mr Zhou also denied rumours that the Guangdong Vice-Governor, Mr Yu Fei, and Zhuhai Mayor, Mr Liang Guangda, both known for the boldness with which they experimented with quasi-capitalistic policies, had been subjected to criticism.

While its establishment was first suggested in 1985, it was only recently that Beijing had given the go-ahead for the setting up of the Shenzhen congress.

Mr Zhou gave three reasons for the delay of the formation of the congress. They were the establishment of a grassroots political structure, changes in the administration and consideration of other political systems.

Mr Zhou said it was suggested that Shenzhen might adopt a political system similar to that in Hong Kong with a legislative council and an executive council.

He said it was not the idea of former secretary-general, Mr Zhao Ziyang, to follow Hong Kong's system and Mr Zhao said the idea was worth further research and Shenzhen should report to the National People's Congress for decision.

Mr Zhou said the main reason behind his job change was his age.

"I am 60 this year and a demanding job may not be too suitable for me," he said.

Mr Zhou also disclosed that the Shenzhen government had shelved the idea of issuing its own currency.

"Shenzhen of course would like to have its own currency but I think it does not have the necessary conditions to issue its own currency yet," he said.

Mr Zheng will also double as the deputy party chief in Shenzhen, according to Mr Zhou.

Lei Yu May Become Guangzhou Mayor

HK1305063890 Hong Kong MING PAO in Chinese 13 May 90 p 14

[Report: "It Is Said That Lei Yu May Be Promoted Mayor of Guangzhou"]

[Text] When the provincial leadership of Guangdong is facing major personnel changes, certain personnel adjustments are also being prepared in the Guangzhou City government. According to sources, current Guangzhou Mayor Yang Ziyuan will retire within this year, and current Vice Mayor Lei Yu is likely to be promoted to be mayor.

Sources closed to the Guangzhou City government said that the city government's leading body recently discussed the personnel issue. Because Yang Ziyuan has

passed the age for retirement, he may retire from the office of mayor and be appointed to be chairman of the provincial committee of the Chinese People's Political Consultation Conference. Lei Yu may succeed Yang to be mayor.

Lei Yu, in his 50's, was previously governor of the Hainan Administrative Region. A few years ago, he was dismissed from office because of the irregular vehicle trade in Hainan. Shortly after that, he was appointed to be vice mayor of Guangzhou and then took charge of the routine work of the city government. It is said that Lei Yu's work performances in Guangzhou had won favorable comments and he was popular with the residents of Guangzhou. Many people predict that he will be "tomorrow's star" in Guangdong.

In addition, Li Ziliu, former secretary of the Jiangmen City party committee, was officially appointed to be deputy secretary of the Guangzhou city party committee earlier this month. He now ranks even ahead of Mayor Yang Ziyuan who is also a deputy secretary of the city party committee and ranks next to Secretary Zhu Senlin and another Deputy Secretary Zhang Hanqing.

Earlier this year, it was rumored that Li Ziliu might be transferred to Shenzhen to succeed Li Hao as party secretary in Shenzhen, but this appointment was shelved because it was opposed by Shenzhen. Two months after that, he was appointed to be director of the special economic zone affairs office of Guangdong Province, and was recently appointed to the new post in Guangzhou City.

Guangdong Governor Delivers Work Report

HK1105081690 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 10 May 90

[Text] In his "Government Work Report," Ye Xuanping, governor of Guangdong, stressed that improving economic environment, rectifying economic order, and deepening reform is at once a demand of China's national situation and a demand of Guangdong's economic stability and development.

Governor Ye Xuanping said that the guiding ideology for the work of the Guangdong Provincial People's Government in 1990 is to promote the steady development of Guangdong's economy as well as all types of work in Guangdong by furthering the campaign aimed at improving the economic environment, rectifying economic order, and deepening reform so as to make greater contributions to maintaining the overall stability in China. The key to further balancing Guangdong's aggregate social demand and aggregate social supply lies in making continued efforts to reduce the scale of investment in fixed assets. This year, Guangdong's economic work must center on agricultural development. Guangdong's campaign aimed at improving the economic environment and rectifying the economic order must aim at readjusting the economic structure and rationalizing product mix. Guangdong must also make persistent

efforts to increase economic results by relying on advanced science and technology and by stepping up her own technological development.

Guangxi's Chen Huiguang Views Political Work

HK1405064390 Nanning Guangxi Regional Service in Mandarin 1030 GMT 12 May 90

[Text] The Guangxi Regional Conference on Political and Legal Work was held in Nanning from 7 May to 11 May.

The conference was mainly devoted to implementing the spirit of the National Conference on Political and Legal Work, analyzing the current situation, implementing the guiding ideology of maintaining overall stability, and studying, in light of the realities in Guangxi, specific ways and means aimed at mobilizing the whole party and the whole society to safeguard the current political situation of stability and unity in Guangxi, carry out comprehensive harnessing of the social order in Guangxi, and strengthen organizational building of the contingent of political and legal workers.

Chen Huiguang, secretary of the Guangxi Regional CPC Committee; Cheng Kejie, deputy secretary of the Guangxi Regional CPC Committee and concurrently chairman of the Guangxi Regional People's Government; and Tao Aiyang, deputy secretary of the Guangxi Regional CPC Committee, attended and delivered speeches at the conference.

Lin Chaoqun, member of the Standing Committee of the Guangxi Regional CPC Committee and concurrently secretary of the Guangxi Regional Political and Legal Work Commission, relayed the spirit of the National Conference on Political and Legal Work and made a concluding speech at the conference.

In his speech, Comrade Chen Huiguang pointed out that since last year, all the comrades engaged in political and legal work in Guangxi have conscientiously implemented the letter the principle of severely and speedily cracking down on serious criminal activities in accordance with the law and made important contributions to maintaining social stability and safeguarding the legitimate rights and interests of all the citizens in Guangxi.

Comrade Chen Huiguang expressed the hope that the CPC committees at all levels as well as all the comrades engaged in political and legal work in Guangxi acquire a clear understanding of the current situation in Guangxi, strengthen ideological and political work, forge closer ties with the broad masses of the people, practically solve problems for the broad masses of the people, and adopt effective measures to safeguard social order in Guangxi.

Comrade Chen Huiguang also demanded that the CPC committees at all levels in Guangxi strengthen leadership over political and legal work and support political and legal work departments at all levels in Guangxi in

carrying out their work in accordance with the law, with a view ensuring the smooth progress of Guangxi's political and legal work.

In his speech, Comrade Cheng Kejie pointed out that maintaining social stability is the duty of the people's governments at all levels in Guangxi. The people's governments at all levels in Guangxi must thereby attach equal importance to both stability maintenance and economic work.

Comrade Cheng Kejie expressed the hope that the people's government departments at all levels in Guangxi pool the wisdom and efforts of all the people, further develop their respective roles, carry out their work in accordance with the law, carry out comprehensive harnessing of social order, push ahead with the building of a clean government, strictly enforce laws and discipline, and help political and legal work departments at all levels solve their problem of a lack of funds.

In his speech, Comrade Tao Aiyang pointed out that the CPC committees and people's governments at all levels in Guangxi must make redoubled efforts to step up the building of socialist spiritual civilization, mobilize and organize people of all walks of life to carry out comprehensive harnessing of the social order, continue to carry out the struggle against serious criminal activities and economic crimes, strengthen social order management along the border areas, step up propaganda and education on the legal system, and strengthen the reform of criminals through labor as well as the reeducation of juvenile delinquents through labor.

Hunan Government Holds Plenary Meeting

HK1105120490 Changsha Hunan Provincial Service in Mandarin 2200 GMT 10 May 90

[Text] The Hunan Provincial People's Government held a plenary meeting in Changsha yesterday morning.

Chen Bangzhu, deputy secretary of the Hunan Provincial CPC Committee and governor of Hunan Province, delivered a speech at the meeting.

In his speech, Governor Chen Bangzhu stressed that people's governments and government departments at all levels in Hunan must direct greater energies to promoting provincial economic development, asserting that political and social stability is an important guarantee for the success of all types of work while economic development is the foundation of overall stability. In order to maintain long-term stability and security in China, it is necessary to continue to adhere to economic construction as the center and make concentrated efforts to promote overall economic development.

Governor Chen Bangzhu also gave a brief account of Hunan's economic situation in the first four months of this year. He said that in the first four months of this year, under the correct leadership of the CPC Central Committee and the State Council and thanks to the

concerted efforts made by all the comrades in Hunan, Hunan basically maintained political and social stability, further consolidated and developed her fine political situation of stability and unity, and witnessed a steady economic growth. However, problems such as market weakness, lack of funds, drop of sales and tax rates, increase in economic losses, and so on continued to exist. Therefore, people's governments and government departments at all levels in Hunan must pay great attention to these problems and adopt effective measures to tackle these problems. In order to push ahead with Hunan's economic development, the people's governments and government departments at all levels in Hunan must clearly understand the importance of adhering to economic construction as the center and greatly developing social productive forces so as to concentrate efforts on economic construction, take all factors into account when making work arrangements, rely on the broad masses of the people to overcome difficulties, and strive to successfully accomplish this year's production tasks.

At the meeting, Governor Chen Bangzhu also made specific arrangements aimed at steadfastly furthering the current struggle against corruption, promoting the building of a clean government, pushing ahead with the work of screening and rectifying various types of companies, and carrying on the struggle against criminal activities.

Yesterday's plenary meeting was presided over by Dong Zhiwen, executive vice governor of Hunan Province.

Northeast Region

Liaoning Completes Election of Deputies

SK1405043790 Shenyang Liaoning Provincial Service in Mandarin 0930 GMT 27 Apr 90

[Text] According to the reporter's dispatch from the provincial conference on summarizing the experience gained in conducting the end-of-term election of deputies to the people's congresses at county and township levels, which concluded on 27 April. During the period from October 1989 to the early April this year, our province successfully completed the end-of-term election of deputies at county and township levels, in which 21,700 deputies at the county level were elected, a 17 percent increase over the figure of last term. Newly elected deputies account for three-fifths of the total and those who were reelected account for two-fifths. Both new and old deputies have higher capability of joining in or discussing the political and governmental affairs.

During the end-of-term election, the sense of democracy and legal system among the broad masses of voters across the province has obviously increased. The number of voters accounts for 95.8 percent of the total electorate. The first sessions of the people's congresses at the township-town level have been generally and successfully convened.

The characteristics of the end-of-term election are as follows: 1) Socialist democracy has been fully carried forward; 2) the electoral work has been conducted strictly according to the law; 3) the voters' desire has been fully respected; 4) the voters' right has been ensured; 5) the attention to the quality of deputies has been paid. By upholding the guiding ideology of maintaining or promoting the stable situation as a whole in conducting the end-of-term election, party committees at all levels have attached great importance on the election and realistically enhanced their leadership over it. The People's Congress standing committees at all levels have made all-out efforts to carefully organize and guide the election, to extensively and deeply conduct educational and propaganda work, and to have their backbone personnel fully play their role. Thus, the end-of-term election as a whole has been smoothly and soundly carried out.

At the experience-exchange conference, seven cities, counties, districts, townships, and towns, including Shenyang City and Gai County, delivered reports on describing their experience gained in the election.

In concluding the conference, Zhang Tiejun, vice chairman of the provincial People's Congress, delivered a speech on the issue of how to uphold and improve the People's Congress system and how to do a good job in conducting the Standing Committee work of the people's congresses at all levels.

Liaoning Procuratorate Work Report

SK1105223990 Shenyang LIAONING RIBAO
in Chinese 14 Mar 90 p 3

["Excerpts" of report on the work of the Liaoning Provincial People's Procuratorate delivered by Xu Sheng, chief procurator of the provincial People's Procuratorate, at the third session of the seventh provincial People's Congress on 9 March 1990]

[Text] Deputies:

In 1989, procuratorial organs at various levels throughout the province conscientiously performed their legal supervision function, launched in-depth struggles against corruption and bribery, dealt strict blows to counterrevolutionary and serious criminal activities, and made positive efforts to promote the honest performance of duties, safeguard the stability of public security, defend the state's safety, and ensure the smooth progress of the endeavor of improvement, rectification and in-depth reform.

1. We Carried Out In-Depth Struggles Against Corruption and Bribery

In the past year, particularly after the counterrevolutionary rebellion was suppressed, procuratorial organs at various levels throughout the province took the initiative in listing the struggles against corruption and bribery in

the first place in their endeavor to deal blows to economic crimes, regarded them as the focus of procuratorial work, and achieved major progress in them. First, the number of cases we handled doubled and redoubled. In the year, procuratorial organs at various levels throughout the province accepted 4,381 economic cases, put 2,335 of them on file for investigation, and concluded 1,668 cases, respectively showing increases of 217.7, 341.4, and 178.5 percent over the preceding year. In the 11 years since our province's procuratorial organs were resumed, last year was one in which they handled the largest number of economic cases. Second, the struggles against corruption and bribery were deepened. Procuratorial organs at various levels concentrated efforts on investigating and handling major and serious cases. In the year, 736 major and serious cases were put on file, accounting for 31.5 percent of the total cases put on file. Of such cases, 147 were committed by cadres at and above the county and section level, and four were committed by cadres at the departmental and bureau level. Public trials of the major cases which had serious impact produced great repercussions in society. We paid attention to shifting our work focus to some key departments and those with many problems. A total of 252 cases committed by the functionaries of party and government organs were put on file for investigation, accounting for 10.8 percent of the total. Of these cases, more than 10 cases occurred in the organs directly under the province or the organs directly under the central authorities which were stationed in our province. We concentrated efforts to investigate and handle a number of corruption and bribery cases committed in the banking, real estate, grain, energy, supply and marketing and railway departments, and we rooted out some "nests" of crimes thanks to efforts to dig deeply. Third, influenced and frightened by the "notice" of the Supreme People's Court and the Supreme People's Procuratorate, 1,373 criminals guilty of corruption, bribery, and speculation throughout the province surrendered themselves to procuratorial organs to confess their crimes. Of them, 485 persons, or 33.4 percent, were implicated in major and serious cases. They confessed to crimes involving 33.56 million yuan, of which 10.74 million yuan in cash and materials were recovered. Regarding the persons who voluntarily confessed their crimes, actively returned stolen money and goods, and made contributions within the fixed time prescribed in the "notice," procuratorial organs gave lenient treatment to them in line with the relevant regulations of the criminal law and the "notice." Fourth, the struggles against corruption and bribery created fairly good social effects. In carrying out struggles against corruption and bribery, procuratorial organs at various levels intensified the study of laws and policies, correctly distinguished crimes from noncrimes, and created good political and social results in handling cases. When investigating and handling cases that occurred in enterprises in particular, they proceeded from the interest of the endeavor of improvement, rectification, and in-depth reform, and paid attention to both punishing criminals and protecting the labor and production enthusiasm of the

managers and workers of the enterprises, thus facilitating the development of production.

In the past year, procuratorial organs throughout the province scored great achievements in the struggles against corruption and bribery, but many problems that should not be neglected still existed. To name the major ones, the development of work was uneven, with some leading organs and some counties and districts failing to widely mobilize the masses to open up a new prospect; some departments with more problems and creating greater complaints among the masses remained intact; and some deeply hidden criminals had yet to be exposed. We should earnestly summarize experiences and lessons to solve these problems at an early date.

2. We Thoroughly Investigated and Resolutely Dealt Blows to the Counterrevolutionary Elements and Other Criminal Elements Who Committed Crimes During the Turmoil and the Rebellion, and Dealt Strict and Prompt Blows to Serious Criminal Activities According to Law

The province's public security situation remained very grim in 1989. The number of criminal cases increased substantially, and that of vicious crimes doubled and redoubled. Especially after mid-April, the turmoil and counterrevolutionary rebellion in Beijing also affected our province. Faced with such a grim situation, procuratorial organs at various levels never slackened efforts in their procuratorial work concerning criminal cases. They completed a great amount of investigative work to approve the arrests of and prosecution against criminals, thus making positive efforts to maintain political stability and public security. During the year, after investigations they approved the arrests of 28,534 persons whom public security organs requested to arrest, showing an increase of 33.4 percent over the preceding year. They prosecuted 27,889 persons, an increase of 37 percent, and exempted 2,490 persons from prosecution, an increase of 66.5 percent. Procuratorial organs at various levels regarded it their task of prime importance to thoroughly investigate and resolutely deal blows to counterrevolutionary elements, who created disturbances and participated in the counterrevolutionary rebellion; to deal blows to serious criminals guilty of beating, smashing, looting, arson, and killing; and to conscientiously carry out arrests and prosecution. Throughout the province, 41 counterrevolutionary and other serious criminal elements were arrested. We dealt strict and prompt blows to serious criminal activities, and we actively participated in special struggles and special work to improve public security. In the past year, while dealing strict blows to serious criminals, procuratorial organs at various levels actively coordinated with public security organs to carry out various special struggles and special work to improve public security. They participated in the unified action of public security organs to deal blows to robbery and theft, and the work to "wipe out pornography" and "eliminate six vices" aiming at comprehensively improve public security. Thanks to such activities, they promoted the stability of public security.

We further strengthened supervision over investigations and trials. We persistently took facts as the basis and laws as the criteria, and we handled cases strictly according to legal procedures. In the year, we disapproved the arrests of 3,465 persons and the prosecution of 136 persons according to law, and arrested 567 criminals and prosecuted 299 persons retroactively. Procuratorial departments in charge of jails and detention houses actively conducted inspections on how jails, detention houses, and reformatories had implemented laws and policies. Especially during the turmoil and the rebellion, they intensified the ideological education of the persons kept in jails or detention houses, and they assisted pertinent departments to stabilize the order of jails and detention houses. During the period for implementing the "notice" of the Supreme People's Court and the Supreme People's Procuratorate, procuratorial departments in charge of jails and detention houses explained and publicized the "notice" in jails and detention houses, and 67 persons kept in jails and detention houses confessed their crimes of embezzlement and bribery, and exposed some 230 clues to crimes.

3. We Investigated and Handled Cases of Dereliction of Duty and "Rights Encroachment" To Promote Socialist Democracy and Legal System

Procuratorial departments for the enforcement of laws and discipline emphasized the investigation and handling of cases of power abuse and dereliction of duty, which were harmful to maintaining honest performance of duties; major cases of accidents resulting from negligence of responsibility, which were harmful to the economic improvement and rectification; and cases of encroachment on the democratic rights and personal rights of citizens, which were harmful to the strengthening of socialist democracy and legal system. In particular, they stepped up efforts to investigate and solve major and serious cases. A total of 395 cases of law and discipline breaches were put on file throughout the province. Of them 45 were serious cases and 17 were extraordinary serious cases. A total of 325 cases of power abuse and dereliction of duty, cases of accidents resulting from negligence of responsibility, and cases of "rights encroachment" were investigated and handled, accounting for 82.3 percent of the total cases of law and discipline breaches. Procuratorial departments in charge of accusations and appeals placed their work focus on handling the various types of appeals, thus properly solving some "long-standing, big, and difficult" problems, safeguarding socialist democracy and the legal system, and promoting political stability and unity.

4. We Strengthened Ideological and Political Work To Step Up Improvement of the Procuratorial Contingent

In the past year, procuratorial organs at various levels actively carried out ideological and political work, and they persistently conducted the education on the four cardinal principles, on opposition to bourgeois liberalization, and on patriotism and communism. During the period of the turmoil and the rebellion, the masses of

cadres and policemen were able to stand fast at their posts, remain faithful to their duties, conscientiously perform their responsibility of legal supervision, and maintain unity in both thinking and action with the party Central Committee, the Constitution, and the laws. They stood the tests, attached importance to honest performance of duties within procuratorial organs, conducted extensive education on honest performance of duties, conscientiously carried out law-enforcement inspections, and improved the ability of cadres and policemen to punish and prevent corruption. Thanks to persistent activities to "vie to become advanced and outstanding," a great number of advanced examples in being faithful to duties, enforcing laws impartially, and being honest and diligent in performing duties emerged. Training at various levels was held through various channels to improve the professional competence of cadres.

In 1990, procuratorial organs at various levels will firmly take it as their guiding thought to defend and promote social stability, enhance their sense of class struggle and people's democratic dictatorship, embrace the idea of serving the endeavor of improvement, rectification, and in-depth reform, strengthen the party's leadership authority, enhance the sense of respect for the Constitution, and increase confidence that socialism will succeed. Focusing on punishing corruption and bribery, dealing strict blows to serious criminal activities, and improving the contingent of cadres, they will promote the procuratorial work in other fields, give full play to their role in legal supervision, defend the normal economic and social order, ensure the smooth progress of the endeavor of improvement, rectification, and in-depth reform, and promote the stability of the state and society.

Northwest Region

Qinghai's Yin Kesheng Attends Cadres Forum

HK1405023390 Xining Qinghai Provincial Service
in Mandarin 2230 GMT 11 May 90

[Text] At the Qinghai provincial forum of CPC Committee General Office directors at and above the county level, which concluded in Xining yesterday, Yin Kesheng, secretary of the Qinghai Provincial CPC Committee, said that the CPC Committee general offices must make greater efforts to adapt their work to the new situation and new demands; further play their role in forging closer ties between the CPC and the broad masses of people; provide advice, information, and services to the CPC committees at corresponding levels; and take the lead in improving work style.

Comrade Yin Kesheng pointed out that the CPC Committee general offices are at once the core departments of the CPC committees at all levels and the hub of communication. Therefore, they occupy a special position and play a special role in the CPC work. At present, the CPC committee general offices at all levels in Qinghai must conscientiously implement to the letter "Decision of the

Sixth Plenary Session of the 13th CPC Central Committee on Forging Closer Ties between the CPC and the People" and "Opinions of the Qinghai Provincial CPC Committee on Implementing the 'Decision of the Sixth Plenary Session of the 13th CPC Central Committee'; educate their staff with a view to enabling them to cultivate the concept of relying on the masses, working for the masses, and serving the masses heart and soul; adhere to the CPC mass line; listen to the opinions of the masses; reflect the demands of the masses; show concern for the masses; and solve problems for the masses; and attach equal importance to serving the leaders and serving the masses.

With regard to the organizational building of the CPC committee general offices at all levels, Comrade Yin Kesheng said that the CPC committee general offices at all levels in Qinghai have done a good job over the past many years and are worthy of the trust of CPC committees at all levels. Nevertheless, the CPC committee general offices at all levels in Qinghai still need to make greater efforts to adapt their work to the new situation and new tasks. In view of this situation, redoubled efforts must be made to strengthen the organizational building of the CPC committee general offices at all levels and constantly improve their own political and professional qualities.

Comrade Yin Kesheng expressed the hope that all the comrades concerned would adopt a firm political stand, strictly enforce party discipline, live a plain and honest life, demonstrate initiative in work, cultivate a fine work style, and study hard.

The three-day forum also relayed and studied the spirit of the National Conference of Provincial and Regional CPC Committee Secretary Generals and explored specific ways and means aimed at strengthening and improving the work of the CPC committee general offices at all levels in Qinghai.

Tian Chengping, deputy secretary of the Qinghai Provincial CPC Committee, also delivered a speech at the start of the forum. Provincial party and government leaders, including Zhang Xuejia, Pang Zhenren, Bian Yaowu, Hou Shaoqing, and others, also attended the forum.

Xinjiang Congress Examines Report on Rebellion

OW1105183390 Urumqi Xinjiang Television Network
in Mandarin 1300 GMT 11 May 90

[From the "Xinjiang News" program]

[Text] [Video shows wide shots of a conference room where about 50 or 60 conferees are seated; pan shots of conferees; and medium and closeup shots of unidentified conferees speaking, either in Uyghur language or in Mandarin; some conferees are seen wearing earphones] A joint group meeting of the 14th Session of the Seventh Xinjiang Autonomous Regional People's Congress Standing Committee was held yesterday afternoon. During the meeting, the Standing Committee members

and some nonvoting delegates examined and discussed a report on the suppression of the counterrevolutionary rebellion in Baren Township in Akto County, and a report on the religious work in Xinjiang.

Their consensus was: The Baren Township rebellion was a well-planned and well-organized antiparty and antisocialist counterrevolutionary rebellion designed to undermine the unity among the nationalities and to split the motherland. It was correct for the party committee and the people's government of the autonomous region to take resolute measures to put down the rebellion at once. This shows once again the firm determination of the people of all nationalities in Xinjiang to defend the unification of the motherland and the situation of stability and unity. We should use the example of the counterrevolutionary armed rebellion in Baren Township to carry out a comprehensive and thorough education in opposing national splittism. In particular, we should pay attention to educating the cadres and the masses at the grass-roots level, so that they will understand clearly that national splittism is the main danger for Xinjiang. We should conscientiously strengthen the political power at the grass-roots level. We should seriously rectify and rebuild those grass-roots organs of political power that are paralyzed or partially paralyzed and that are no longer functional to ensure that our grass-roots political power will be truly in the hands of believers of Marxism-Leninism.

On the religious work in Xinjiang, they said: It is necessary to correctly implement the party's policies concerning religion and to respect and protect the people's freedom of religious belief. No one may compel others to believe in any particular religion. It is necessary to improve the management of religious activities, which must be kept within the limits permitted by the PRC Constitution, other laws, and the party's policies. No religion is permitted to interfere with the administrative, judicial, and educational work of the state, nor is any religion permitted to interfere with people's marital affairs. It is necessary to ban illegal religious activities, and to expose and strike a blow at the illegal and counterrevolutionary activities carried out by a handful of splittists in the garb of religion.

Li Jiayu, vice chairman of the Xinjiang Autonomous Regional People's Congress Standing Committee, presided over yesterday afternoon's joint group meeting.

Xinjiang Official Addresses Student Congress

OW1305133890 Urumqi Xinjiang Television Network in Mandarin 1300 GMT 9 May 90

[From the "Xinjiang News" program]

[Text] [Video begins with a long shot of leaders sitting in one row on a rostrum, followed by shots showing students at meeting and medium closeups of leaders] The Third Congress of the Xinjiang Uygur Autonomous Regional Students Federation ceremoniously opened in Urumqi yesterday [8 May]. More than 350 students of various nationalities from all universities, technical secondary schools, and ordinary secondary schools in Xinjiang attended the congress. (Keyoumu Bawudong) and Huang Baozhang, both members of the Standing Committee of the Xinjiang Autonomous Regional CPC Committee,

extended greetings at the congress. [Video cuts to show (Keyoumu Bawudong) addressing the congress and students listening, with brief shot of other leaders] On behalf of the regional CPC Committee, (Keyoumu Bawudong) spoke at the congress. He said: During the counterrevolutionary rebellion in Beijing in late spring and early summer in the last year and during the (Wu Yao Jiu) political disturbances in Xinjiang during which beating, smashing, and looting took place, student organizations at all levels and student cadres of all nationalities in Xinjiang steadfastly kept in line with the party Central Committee, politically, ideologically, and in action. They adopted a firm stand and a clear-cut attitude in opposing the disturbances and counterrevolutionary rebellion, and in opposing bourgeois liberalization. They resolutely struggled against a small bunch of separatist elements abroad and at home, and stood up to severe tests. (Keyoumu Bawudong) emphatically pointed out: Student federations and student organizations at all levels must center on the party's central tasks and bear in mind the important issue of maintaining stability and unity in Xinjiang; and, by using various means, should persist in giving education to young people and students of all nationalities in upholding the four cardinal principles, in opposing bourgeois liberalization, in maintaining the motherland's unity, in preserving nationality unity, and in fighting nationalist separatism. Student federations at all levels should organize young people and students to earnestly study Comrade Jiang Zemin's speech at the Beijing report meeting to mark the May 4th Movement, and should motivate young people and students to dedicate themselves to the great cause of making reforms and to integrate themselves with workers and peasants. [Video ends with a wide shot of the congress venue]

Official Addresses Forum on Soldiers

OW1305131990 Urumqi Xinjiang Television Network in Mandarin 1300 GMT 7 May 90

[Text] Leaders concerned of the autonomous region, Xinjiang Military District, and Urumqi City recently held a forum at the Bianjiang Guesthouse to discuss the work of resettling demobilized military cadres.

Huang Baozhang, vice chairman of the autonomous region, extended a warm welcome to the demobilized military cadres who wished to remain in Xinjiang and contribute to its development.

He said: Demobilized military cadres from the units stationed in Xinjiang have made great contributions to strengthening national defense and safeguarding Xinjiang's stability and prosperity by living in difficult environment for a long period of time.

He called on the relevant departments and units in the autonomous region to warmly welcome demobilized military cadres to work in various localities, strive to overcome difficulties, and do a better job in resettling them this year. [Video begins with a view of a meeting room where the leaders to a forum are seen seated in sofas. It then cuts to a closeup shot showing Huang Baozhang addressing the gathering.]

Reportage Continues on 'Goddess of Democracy'

Repercussions of Stopover

HK1405050190 Hong Kong MING PAO in Chinese
14 May 90 p 8

["Special Commentary" by Lin Pao-hua (2651 0202 5478): "Ripples in the Taiwan Strait"]

[Text] The ship "Goddess of Democracy" eventually docked at Keelung for supplies after a period of tumult.

The stopover of this ship in Taiwan for refueling has stirred up ripples in the Taiwan Strait. The Beijing authorities have issued serious warnings to Taipei, and a submarine suspected to have been dispatched by the CPC was discovered in the waters south of Taiwan. For this reason, some people from Taiwan's political circles have expressed their worry that the ship's stopover will disrupt the relaxing relations between the two sides of the strait.

Not long after 4 June, the Beijing authorities arrested 12 people, saying that they were special agents sent by Taiwan to instigate the student movement and carry out subversive activities. As a matter of fact, Taipei took quite a restrained attitude toward the pro-democracy movement in Beijing at that time. Still, it was accused of manipulating from "behind the scenes" and given warnings. Obviously, Taipei kindness alone cannot help improve the relations between the two sides of the strait. Its greatest kindness should be aimed at promoting democracy in China and bringing about reunification on the basis of democracy. In the process it will be impossible not to irritate Beijing, but this irritation must be kept within limits.

Hau Pei-tsun, Taiwan's national defense minister who has been nominated president of the Executive Yuan, said on 12 May that the radio ship "Goddess of Democracy" would not disrupt the subtle relations between Taipei and Beijing in the course of beaming its broadcasts to China. Hau Pei-tsun added that people should not be worried over the appearance of that submarine in the Taiwan waters. "We have confidence in our ability to cope with the situation, and there is no need to worry," he remarked.

These remarks indicate that his farsightedness and boldness will help stabilize people's minds. Taking into account Taiwan's economic and military strength, if Taiwan cannot undertake any responsibility for the ship "Goddess of Democracy," it is hard to imagine what prospects Taiwan will have.

Beijing's verbal warnings can only threaten the Taiwan people, and if that submarine really belonged to the CPC, it was used to threaten Taiwan and not the ship "Goddess of Democracy" as a threat against the ship could be carried out in international waters after the ship leaves Taiwan. The purpose of threatening Taiwan was to judge its capacity for forbearance. If it "cannot withstand the threat," Beijing will formulate a new

strategy to step up its efforts to control Taiwan. Naturally, this strategy will not consist of peaceful means alone.

During a meeting with Taiwan Legislative Yuan members, Chinese State Councillor Wu Xueqian warned that Taiwan should not support the ship "Goddess of Democracy." On the other hand, he also pointed out that the ship was "making trouble." This is different from Beijing's original oversensitive response that the ship was engaged in "subversion." It also suggests that some Beijing leaders have become a little sensible. Therefore, Beijing was also "making trouble" when issuing warnings against Taiwan.

Western countries began to impose sanctions against Beijing after 4 June, and now Beijing is short of foreign capital. Recently some Taiwan entrepreneurs, including Wang Yong-ching, expressed their intention to invest on the mainland. This is like providing charcoal in snowy weather. Beijing is happy about this but dares not laugh too loudly so as not to arouse too strong repercussions. With this "capital," Taiwan is not worried that Beijing will resort to arms. The problem is how should Taiwan use its capital to develop democracy and freedom on the mainland.

Taiwan 'Base' for 'Pirate' Ship

OW1305153890 Beijing XINHUA in English
1458 GMT 13 May 90

[Text] Beijing, May 13 (XINHUA)—The "Goddess of Democracy" ship, owned by the "Front for Democracy in China", an organization formed by defectors, arrived and was berthed at Taiwan's Keelung port this morning, according to foreign news agencies.

Taiwan authorities will offer supplies to the pirate "broadcasting ship". It is reported that the broadcasting apparatus needed by the ship will be loaded on board at Keelung and a number of people engaged in illegal activities will be aboard the ship to conduct propaganda activities against the Chinese Government.

Sources here pointed out that the acts of the Taiwan authorities have once again demonstrated that the "broadcasting ship" is instigated and supported by the Taiwan authorities in its subversive activities against the Chinese Government on high seas.

Since the "Goddess of Democracy" ship started its voyage, it has been condemned as an act of violating the international law by many people in the world who uphold justice and a number of countries and regions have refused to let the ship call at their ports.

The Taiwan authorities that have been active in supporting the "Goddess of Democracy" in its illegal activities, have to, under the pressure of international public opinion, assume some deceptive postures in an attempt to cover up their true colors.

Chang Hsiao-yen, Taiwan's "director of the department of overseas affairs", made a lie saying that the Taiwan authorities "did not get involved from the inception and now it has no intention to get involved either."

Shaw Yu-ming, Taiwan "government" spokesman, said at a recent press conferences that the Taiwan "government" has never taken part in, get involved in and supported the broadcasting ship and its entire broadcasting activities, and it "will never get involved in any activities waged by the 'Goddess of Democracy' broadcasting ship."

He even said that his "government" "can not support any ships to beam any unpermitted broadcasting on high seas," but, on the other hand, he openly expressed that, "relevant departments will allow it (broadcasting ship) to enter the port for supplies."

Later the Keelung Port Administration approved on May 11 the application of the "Goddess of Democracy" to call at the port and agreed to offer it supplies and load broadcasting apparatus on board the ship for the purpose of conducting illegal broadcasting on high seas.

Now what the Taiwan authorities have done has laid bare their true intentions. In fact, Taiwan is the base for the "Goddess of Democracy" ship in its illegal activities.

Sources here expressed hope that the Taiwan authorities will observe relevant international regulations, immediately stop its activities to support the pirate broadcasting ship and not do anything harmful to the relations between the two sides on the Taiwan Straits.

Taiwan Businessmen Keen on Mainland Investment

*HK1405025790 Beijing CHINA DAILY in English
14 May 90 p 2*

[By staff reporter Zhang Yuan]

[Text] More Taiwanese businessmen are "vying with each other to invest in the mainland, especially in Fujian," a senior official of Fujian Province told CHINA DAILY.

At present, about 20 of the top 500 largest firms on the Taiwan Island are considering investing in the province, deputy provincial governor You Dexin said.

They include a large television component venture to be solely funded by Taiwanese and a huge synthetic rubber plant with an estimated investment of 1.5 billion yuan (\$319 million), You Dexin said.

Meanwhile, all luxury hotels in Xiamen and Fuzhou are crowded with Taiwanese businessmen, trading, holding business talks and demanding more land to set up all kinds of ventures in the fields of plastic, chemical fibre, electronics, electric cables, iron and steel and automobiles.

Moreover, You Dexin said, plane tickets from Taiwan to Hong Kong are so "hot" that the eager Taiwanese businessmen wait a month to make a booking.

Thus, the deputy governor predicted: The 1990s will be a big chance for the province to attract more investment from Taiwan.

"We are ready to grasp firmly the opportunity," he said.

At the moment, about \$720 million of the total \$1 billion investment in the mainland from Taiwan is in Fujian, You said.

Due to the problems of revaluation of Taiwan currency, the cost of land and high wages, more Taiwan firms have to consider moving their industries off the island.

"Fujian is the best place for them to move to," You Dexin said.

This is because not only that Fujian is the closest place on the mainland and has abundant cheap labour and two industrial zones specially designated for Taiwanese investors, but also that about 60 percent of the 18 million people on the island are natives of Fujian Province, You Dexin explained.

To these Taiwanese, they have no language and custom barriers with the people in Fujian.

"What they have is the same forefather and the same spirit," You Dexin said.

Under this condition, the deputy governor said, Fujian is now doing its best to help Taiwanese investors.

"Our goal to Taiwanese investors is 'safety, preferential treatment, convenience and profit.'"

But at the moment, he said, the most urgent matter is to improve the province's investment environment, including transportation telecommunication and energy supply, he said.

Fujian is now building four above-10,000-ton wharves at Xiamen's Dongdu Port.

Construction of the new port area project in Mawei Port has started and a 10,000-ton dock at Meizhou Port has been completed, You Dexin said.

In the next step, the province will start the second phase of Xiamen Airport and the expansion project of the Fuzhou Airport, he said.

Program-controlled telephones in the province will be increased to 300,000 by the end of this year from the present 200,000.

Within a couple of years, the figure will be increased to 500,000, You Dexin said.

Radio-telephones and micro-wave communication systems are also on the development agenda of the province, he said.

As far as energy resources are considered, he said, there is no problem in the province.

In recent years, the province has built four thermo-and hydro-power stations, with a total annual electricity generating capacity of 1.4 million kilowatts.

At the moment, construction of the 1.4 million kilowatts Shuikou Hydropower Station, China's second largest hydropower station after the Gezhouba in the middle reaches of the Yangtze River, is going smoothly.

The whole project is expected to be completed and put into operation in 1993, You said.

The state has approved the province's building a 600,000-kilowatts thermo-power station at Songyi of Xiamen, which will be put into operation in 1992, You Dexin said.

He said the province is drafting a comprehensive development blueprint for overseas investors and will design some new industrial development zones apart from the present ones.

But he didn't provide more details.

However, he said, the province will guide overseas investors, including those from Taiwan, to invest in Zhangzhou, Quanzhou and other areas in the province in addition to Xiamen and Fuzhou.

Reportage Continues on 'Goddess of Democracy'**Ship To Make Port Call 13 May**

OW1205034990 Taipei CNA in English 0248 GMT
12 May 90

[Text] Taipei, May 12 (CNA)—The "Goddess of Democracy" radio ship is scheduled to make a port call at Keelung, northern Taiwan, Sunday.

The ship is now somewhere off the coast of northern Taiwan, the Hsiang Ho Shipping Company, the local agent for the radio ship, said.

The shipping company said that it would apply for the "Goddess of Democracy" to enter the Keelung port Saturday in accordance with government regulations which stipulate that any application should be presented 24 hours before a port call.

As of now, it is still not known whether or not the 11 crew members and nine reporters on board the ship will disembark at Keelung.

The government of the Republic of China, though trying to keep a low profile, has cited "humanitarian considerations" in reiterating that the dissident ship would be permitted to enter into Keelung to take on supplies.

The "Goddess of Democracy," having left France in mid-March, is a democracy project jointly sponsored by 19 press organizations.

In spite of Chinese Communist threats to use force to prevent the vessel from broadcasting it still plans to beam TV programs, songs, and news about the democratization process in Eastern Europe to the Chinese communist-ruled mainland from the high seas off the China mainland.

Ship Outside Keelung Harbor

OW1305113590 Taipei Domestic Service in Mandarin
2300 GMT 12 May 90

[From the "National Hookup" program]

[Text] After a 57-day voyage covering more than one-half of the globe, the radio ship Goddess of Democracy will enter the Keelung harbor around 0830 on 13 May. The ship will anchor at Dock East-3 and receive welcome by people from all walks of life.

According to information obtained through our contact with the Keelung Harbor Bureau at 0640 on 13 May, the Goddess of Democracy is presently located at about four nautical miles outside the Keelung Harbor.

Yen Chia-chi [Yan Jiaqi], chairman of the Front for Democracy in China, Chairman (Tu I-chih), and Vice Chairman (Hsu Tien-Fang) of the Boat of China Association in France, will go aboard the ship to extend regards to the crew and journalists on board who have come from thousands of miles away. The welcome ceremony

will include firecrackers, music, and presentation of flowers to the crew by female students.

The Boat of China Association has called on those people who have bought T-shirts printed with the picture of the goddess to wear the T-shirts and come to the dock to welcome the ship. Slogans will be hung and such T-shirts will be sold on the spot.

After the welcome ceremony, the ship's captain, (Beiler), together with some of the crew members, will hold a press conference in the first conference room on the second floor of the Keelung Municipal Cultural Center.

At 1300 the Goddess of Democracy will leave Dock East-3 and anchor at a designated spot to receive necessary supplies. The ship is scheduled to leave the harbor at noon on 14 May for a destination in the international waters of the East China Seas.

At 2000 on 13 May, the Anticommunist Patriotic League will host a grand cocktail party at Asia World Hotel to welcome the crew of the Goddess of Democracy.

(Beiler), captain of the Goddess of Democracy, said that the ship will broadcast to the mainland from the high seas, beginning next Monday, 21 May. He stressed that broadcasting information on democracy is an act in line with the World Declaration of Human Rights and does not violate the international law and related pacts, adding that there is no reason for the Chinese Communists to interfere or use force against it.

Meanwhile, the Keelung Harbor Bureau has made necessary preparations. (Huang Ching-cheng), director of the bureau, announced at 1605 on 12 May that the Goddess of Democracy had completed all the required formalities for entrance into the harbor. The ship will anchor at a designated spot to receive supplies, including fuel, water, and daily necessities.

On 12 May, Shao Yu-ming, government spokesman and director general of the Government Information Office, said that the government has not supported the Goddess of Democracy's activities of broadcasting on the high seas, nor will it take any measure to jam the broadcasts, still less will the government provide supplies to the ship again after its broadcasting activities. The government's actions will be based on the international practice.

Director General Shao said: We will neither give exceptional prominence to nor deliberately cold-shoulder the arrival and departure of the Goddess of Democracy, but assume an ordinary attitude.

It is learned that after consultations during the past few days, high-ranking government and party officials have reached a common understanding in principle about the attitude to be taken toward the Goddess of Democracy. The ruling party's stand has yielded to the extent of providing service to the ship in a low-profile and passive way. The government departments concerned still hold the stance that supplies should be provided quickly to the ship so that it can leave as early as possible. Taking

a positive attitude and assuming a high profile, they said, would increase the tension between the two sides of the strait.

'Goddess of Democracy' Arrives

OW1305121090 Tokyo KYODO in English
1059 GMT 13 May 90

[Text] Keelung, Taiwan, May 13 KYODO—The Goddess of Democracy radio ship docked in this northern Taiwanese port for replenishment Sunday amid a cool reception by Taiwan of its plan to beam pro-democracy messages to China from international waters in the Taiwan Strait.

The 1,140-ton ship, named after a statue erected by student demonstrators in Beijing's Tiananmen Square before last June's bloody military crackdown, arrived in Keelung 57 days after it set sail from France.

Documents shown to the Keelung port authorities show that the ship has listed Kobe as its next port of call.

Authorities in Taiwan have said that the ship will not be allowed to make port calls in Taiwan again for supplies if it engages in "piracy broadcasts" in international waters which Taipei officials say violate international law.

According to papers filed with Keelung port authorities, the ship is due to leave Keelung on Monday after taking in fresh supplies and fuel, with organizers vowing to continue with the broadcasting project as originally planned.

However, a spokesman for the Taiwan chapter of the Ship of China Association, the France-based organizer of the project, told KYODO NEWS SERVICE in a telephone interview that the ship may not leave until Tuesday or Wednesday.

Welcomed by an all-girls high school band, the ship berthed at the No. 3 pier in Eastern Keelung port at 9 a.m. (10 a.m. Japan time) after an eight-day trip from Singapore.

In a press conference held after the ship's arrival, Yan Yiaqi, chairman of the Paris-based Federation for a Democratic China, paid tribute to the crew and urged them to use the broadcasts to tell the truth about last year's Tiananmen crackdown.

The boat, a refitted cargo vessel, is carrying a French crew and a group of foreign journalists.

The project—to broadcast round-the-clock programs of news, music, and interviews with Chinese dissidents—is filled with uncertainties as China has strongly criticized the plan and authorities in Taiwan have taken a hands-off policy.

Yan has said he wants to join the ship but Taipei officials have so far refused to grant him boarding permission.

The Goddess' presence in Taiwan has created a hint of tension there after local press reports said a submarine of unknown nationality was seen off Taiwan on Wednesday.

Officials in Beijing, which has condemned the project as part of a plot to overthrow China's Communist regime, have not ruled out the use of force against the ship.

Further on Ship's Arrival

HK1405014990 Hong Kong SOUTH CHINA
MORNING POST in English 14 May 90 p 1, 8

[By Feff Hoffman in Keelung]

[Text] After an 11-day voyage from Singapore, the Chinese dissident radio ship, the "Goddess of Democracy," arrived in Keelung yesterday on its final stopover before starting broadcasts to mainland China from the East China Sea.

The ship and its 11-member crew were welcomed by a local high-school marching band, girl students with garlands, and a crowd of more than 1,000 when it drew up to the dock shortly before 9 am.

A huge red balloon saying "freedom" was hoisted on the ship as the chairman of the Paris-based Federation for Democracy in China (FDC), Mr Yan Jiaqi, Kuomintang (KMT) legislator, Mr Yu Mo-ming, and the deputy director of the KMT Overseas Affairs' Department, Mr Chien Hansheng, waited on the wharf.

The Taiwan authorities barred Mr Yan from boarding the ship along with two other Chinese dissidents, Mr Liu Yan and Mr Xu Tianfang, but Mr Yan embraced the captain, Dominique Perreot, and other crew members as they disembarked.

Mr Nicolas Druz, the president of the Boat for China project, said of Mr Yan: "I don't know why the authorities won't let him come.

"Is he really a criminal?"

On Saturday, the Keelung Harbour Authority issued the ship a 24-hour docking permit to take on fuel, provisions and radio transmission equipment. However, news agencies quoted sources close to Taiwan officials as saying the government had cancelled a secret agreement to allow the ship to use government-owned transmitters on the island to boost its medium-wave signal to China.

Both the government and organisers have denied reports that Taiwan's state radio network was involved with the project.

Radio experts said a radio-relay through Taiwan is crucial if the broadcasts are to reach a wide audience in China, where few people own short-wave radios.

The boat's own 10-kilowatt medium-wave transmitter can reach only 100 kilometres during the day.

Organisers hope to mount one 50-kilowatt medium-wave transmitter on the boat to make round-the-clock broadcasts into China from international waters.

Taiwan has said the ship's plans to make unauthorised broadcasts from the open seas would violate international laws and agreements signed by Taipei.

Taipei has said it will ban the ship from returning to the island if it goes through with the broadcasts.

Taiwan's stance triggered concern that the "Goddess," which can carry enough fuel to last only three weeks, would be unlikely to find an alternative port in the area.

Both Hong Kong and the Philippines have refused it permission to berth.

Captain Perreot denied news reports that the boat plans to go to Japan to refuel after it completes its broadcast project in three weeks.

"We will broadcast anyway," said Mr Druz.

"We hope to find a compromise with the government. We don't want them to support us, we just want them to follow the law. A ship can't be refused fuel and water."

Shipboard sources said there was serious disagreement among the project's sponsors about whether Chinese dissidents should board the ship to participate in the broadcasts.

Organisers say they have dozens of hours of taped interviews with dissidents.

One group of sponsors is determined not to let the dissidents aboard the ship for fear of antagonising China and has threatened to stop the two transmitters going on board, the sources said.

The Goddess is expected to leave Taiwan's territorial waters on Wednesday morning, at which time it will publicly announce its broadcasting frequency.

The government issued no formal statement on the ship's arrival.

However, the Communications Minister, Mr Chang Chien-pang, in a report carried by the UNITED EVENING NEWS, yesterday reiterated a government announcement on Friday that it does not support the ship's broadcasting from international waters.

Mr Chien said once the ship initiates transmissions it will not be permitted to return to Taiwan.

The ship will broadcast news and music programmes, and information on the overseas dissident movement to China on a 24-hour basis.

News organisations throughout the world have provided the bulk of the ship's costs of U.S.\$1.5 million (HK\$11.7 million).

Project organisers say "Taiwan's two largest newspapers" have offered substantial financial support.

China claims that broadcasts by the ship would violate international law.

However, Mr William Bourdon, a French lawyer advising the Association for a Boat for China which is sponsoring the ship in conjunction with the FDC, said no existing international conventions prohibit radio broadcasts from international waters.

"China is trying to create a juridical appearance to give legitimacy to its threats to take action," Mr Bourdon said.

Association vice-president, Christophe Nick, who boarded the ship in Singapore on May 2, said the ship had not seen Chinese submarines during its voyage to Taiwan.

"If there were submarines," he said, "they were intended (as a threat) for Taiwan, not for us."

Mr Nick said, "It's impossible anything would be done against a boat operating legally in international waters...We're not taking the boat to Tiananmen Square."

He said, further, with international attention focused on the ship's every move, it is very unlikely Beijing would take any action against it.

Mr Nick said the association does not intend to use the ship to revive China's quashed democracy movement.

"We're not trying to incite an uprising," he said, "we're merely seeking to inform the Chinese public."

Mr Nick described the Hong Kong Government's recent refusal to allow the ship to enter the territory, "a violation of international law".

"No government can refuse a boat the right to take on supplies. The only authorities which decided to break these international laws was Hong Kong. It's a scandal. It's like the Rainbow Warrior, you can understand it, but you can't accept it."

Mr Nick said the association had cancelled its invitation to dissident leader and FDC vice-chairman, Mr Wuer Kaixi, to board the ship.

Taiwanese authorities recently denied Mr Wuer Kaixi an entry visa.

—In Beijing before he set off on a Latin American trip, president Mr Yang Shangkun restated China's strong opposition to the ship, labelling its goal of broadcasting to the mainland subversive and illegal.

"We have always been opposed to these kind of subversive activities...organised as a means of propaganda aimed at overthrowing the Chinese Government," Mr Yang said.

Defense Minister Cited

OW1305115290 Taipei International Service in English
0200 GMT 13 May 90

[Text] As of Saturday afternoon, a permit to allow the Goddess of Democracy broadcasting ship to dock in Keelung has not yet been issued because the ship's application was missing documents showing evidence of fire-prevention equipment on board and also other documents. Authorities said that if the ship wants to dock on Sunday morning in Keelung, it must complete the application procedures by Saturday evening to meet the ship's desired 8 am docking time. Keelung port authorities stated that if the documents needed to complete the ship's application are not received until Sunday morning, the ship will be unable to dock until later Sunday afternoon.

Meanwhile, Defense Minister Hao Po-tsun stated on Saturday that relations between the two sides of the Taiwan Strait will not deteriorate because of the variance of opinions on the docking of the Goddess of Democracy in Taiwan. Hao said there is no reason to worry that the Chinese Communists will undertake any military action against the island. Hao, who has been nominated by President Li to serve as the nation's next premier, said that as long as the ship abides by international regulations, there is no reason the ROC [Republic of China] should not extend assistance to it.

Government Stance Viewed

OW1205133190 Taipei Domestic Service in Mandarin
2300 GMT 11 May 90

[From the "National Hookup" program]

[Text] Chang Chien-pang, minister of communications, said on the evening of 11 May that if the Goddess of Democracy goes to the high seas to do broadcasting after its port call in Taiwan, our country will not allow her to return to our port.

Shao Yu-ming, director general of the Government Information Office, said on 11 May that our government's stance toward the Goddess of Democracy is that it cannot, and will not, take any measure to escort the ship. The ship must know the risk involved in broadcasting on the high seas.

The personnel on the Goddess of Democracy are rather frustrated by the news of the appearance of a Chinese Communist submarine in Taiwan's southern waters, which has led to the sensitive reaction of the people of Taiwan and the statement made by Chang Chien-pang, minister of communications of the Republic of China. He said that if the radio ship Goddess of Democracy broadcast on the high seas without permission, the government may ban the ship's return to Taiwan. Nevertheless, the purpose of the ship's long voyage to the east is to broadcast freedom information to the mainland. The radio ship will stick to its original plan since this action does not violate relevant international regulations.

Yan Jiaqi Comments

OW1205152990 Taipei CNA in English 1442 GMT
12 May 90

[Text] Taipei, May 12 (CNA)—A prominent Mainland Chinese dissident suggested here Saturday that Asian countries should boycott the 1990 Asian Games scheduled to be held in Peking in September if the Peking regime dared to attack the "Goddess of Democracy" radio ship.

Yan Jiaqi, chairman of the Paris-based Federation for a Democratic China (FDC), also urged the local press to organize an observation team to follow the "Goddess of Democracy" so that they could immediately tell the world what happened if Peking used force against the ship.

Yan made the suggestions while meeting with John Chang, director of the Kuomintang Overseas Affairs Department.

Yan pointed out that the "Goddess of Democracy," supported by 19 major international news media, is an unarmed ship with only radio equipment and tapes on board. "It relies on conscience and justice, not violence, to break through Peking's news blackout," he stressed, adding that Peking's threat to sink the ship would be an open challenge to the global press.

Yan said the major purpose of his current visit was to greet the radio ship. When the ship calls at the port of Keelung in northern Taiwan Sunday morning for a three-day stay, he will board the "Goddess of Democracy" to express his respect for its crew members.

He reaffirmed that the ship would not beam messages to the Chinese mainland from the Republic of China's [ROC] territorial waters. He himself would also not make direct broadcasts aboard the ship.

Chang told Yan that the Kuomintang supported the "Goddess of Democracy's" cause. But he stressed that in order to avoid causing tension along the Taiwan Straits, the ROC Government and its ruling party would not get involved in the ship's activities.

Ship's Captain at News Conference

OW1305172990 Taipei CNA in English 1559 GMT
13 May 90

[Text] Keelung, Northern Taiwan, May 13 (CNA)—The "Goddess of Democracy" radio ship was accorded a rousing welcome as it berthed at the northern Taiwan port of Keelung Sunday morning.

A high school band played music while the ship's crew members were presented flowers after they [words indistinct].

Yien Chia-chi (Yan Jiaqi), chairman of the Paris-based Federation for a Democratic China, bear-hugged ship Captain Dominique Perreot on the wharf. As they walked out of the harbor area they were greeted with firecrackers set off by Keelung residents who lined the streets.

At a press conference attended by some 400 local and international journalists, Captain Perreot stressed that the "Goddess of Democracy" would sail to its planned location to beam broadcasts to the Chinese mainland. He said the ship's broadcasts were completely in line with the ideals of freedom and democracy that the Peking students had struggled for in Tienanmen Square last year.

"We believe our peaceful, rational broadcasting activities have the support of all peace- and freedom-loving people in the world," he said.

Asked about repeated Chinese Communist threats to use force against the ship, Perreot said the ship's only protection was continued global concern. The ship now depended on world media to protect it against threats from the Peking authorities.

Yan, who was visiting Taiwan at the invitation of a local mass-circulation daily, pointed out at the press conference that the ship's planned broadcasts targeted at the Chinese mainland were timely and significant because of the approach of the anniversary of the Tienanmen tragedy on June 4.

He urged people on both sides of the Taiwan Straits to struggle together to build a democratic China.

Later on Sunday the National Defense Ministry in Taipei said that the Republic of China's naval ships and Air Force planes would patrol adjacent waters while the "Goddess of Democracy" docked in Keelung to take on fuel, water and other supplies.

The patrol missions would continue when the ship leaves the port and heads for high seas. "We have no obligation to escort the ship, but we are prepared to respond to any actions taken against the 'Goddess of Democracy' while the ship is in our territorial waters," a ranking ministry official said.

But once the radio ship is on the high seas, it will be on its own he added.

The official said it could not be ascertained whether the submarine detected off the southern Taiwan was a Communist China boat. The ROC [Republic of China] Navy was still keeping a close watch for the submarine.

The 1200-ton "Goddess of Democracy," which sailed from France 57 days ago, is scheduled to leave Keelung Monday for the high seas to break through Peking's news blackout.

Submarine Sighted

OW1105171290 Taipei CNA in English 1602 GMT
11 May 90

[Text] Taipei, May 11 (CNA)—The surfacing of an unidentified submarine in waters off southwestern Taiwan Wednesday [9 May] afternoon would not strain the situation along the Taiwan Straits, Defense Minister Hau Pei-tsun said Friday.

Hau told local reporters that the surfacing of the submarine might be a "comparatively active" reaction from the "opposite side" of the Taiwan Straits against the "Goddess of Democracy" radio ship which was on its way to Keelung for resupplying and planned to beam pro-democracy messages to the Chinese mainland from the high seas off the mainland coast.

On the possible impact of the submarine incident, the premier nominee said that Republic of China [ROC] military authorities had taken regular measures to cope with the situation. "It is not expected to have any serious impact," Hau noted.

According to military authorities, ROC naval vessels spotted the unidentified submarine in waters southwest of Oluanpi on the southernmost tip of Taiwan around 1:50 p.m., May 9. The target, however, had disappeared by the time a search by ROC SZE anti-submarine reconnaissance aircraft had begun.

Further on Submarine

OW1305140290 Taipei Domestic Service in Mandarin
2300 GMT 12 May 90

[From the "National Hookup" program]

[Text] Defense Minister Hao Po-tsun said on 12 May that the Communist Chinese submarine discovered by our naval vessels on 9 May under waters near Oluanpi was under our strict surveillance, and could not do any harm to Taiwan. "There is no need to worry about it, he added.

As revealed by military sources concerned on the evening of 12 May, there was every indication that this Communist Chinese submarine had obviously discovered that it had been under our surveillance and was moving farther and farther from our territorial waters. However, the sources said, our naval vessels and airplanes had not stopped shadowing the submarine, and had recorded the audio frequencies it had produced when sailing under water. These will be used as a reference for antisubmarine warfare in the future.

It is said that judging from the submarine's speed, it will be rather hard for it to continually follow the trail of the radio ship Goddess of Democracy. This submarine may have two choices of action in the future: One is to return to the Communist Chinese naval base in the South China Sea after leaving our territorial waters. In that case, it will pass the task to other submarines awaiting orders in northern waters. The other alternative is that when the Goddess of Democracy is receiving supplies at the Keelung port, the submarine will move to the high seas beyond our territorial waters to wait for the radio ship. There is another possibility that the Chinese Communists will give up their action of interference.

Some high-ranking military officers have said that while on the alert, our Navy and Air Force are searching for other Communist Chinese submarines that may stay near our territorial waters. It is believed, however, that

Communist Chinese submarines may not enter our territorial waters to do anything, nor will they take any harassing action when the Goddess of Democracy is in our territorial waters.

Military Sources Quoted on Submarine

*OW1305122490 Taipei International Service in English
0200 GMT 13 May 90*

[Text] After the Communist Chinese submarine was discovered near waters off the southern Taiwan coast Wednesday, military sources on Saturday said that this was not the first time that such a situation had occurred. The sources said that the nation's armed forces maintain strict surveillance over the waters around Taiwan and islands held by the ROC [Republic of China], and therefore residents should not be too nervous over the matter.

The submarine was discovered on Wednesday under waters near Oluanpi. But when further investigations were conducted, the submarine disappeared, preventing military authorities from determining the exact model of it.

While the military still refuses to admit that the submarine was a Communist Chinese one, reports have said that the submarine has been monitoring the movement of the Goddess of Democracy ship said to dock in the northeastern Taiwan port of Keelung on Sunday.

Commentary Urges Continued Sanctions Against PRC

*OW1105155390 Taipei CNA in English 1428 GMT
11 May 90*

[Commentary by the Voice of Free China (Broadcasting Corporation of China): "Dissident Urges Continued Sanctions Against Peking"—"it does not reflect the opinion of CNA"]

[Text] Taipei, May 11 (CNA)—Mainland Chinese dissident Yen Chia-chi, who is currently on his first visit to Taiwan, said at a press conference on Thursday that Western nations and Japan should not loosen economic sanctions against the Chinese Communist regime in Peking. He urged their governments to continue putting pressure on the communist regime to reform.

Yen believes Peking's failure to reevaluate last June's Tienanmen massacre is ample reason for foreign governments to avoid making any concessions to Peking at this time. Many Western nations and Japan implemented sanctions against Peking in the wake of Tienanmen. Some have indicated that they may lift the sanctions soon.

Yen also said that foreign governments should not be fooled by token measures taken by Peking to impress them. He cited this week's release of two hundred student and other protestors as an example. He also noted that the lifting of martial law in Peking was a cosmetic gesture only. The repression continues in other forms.

Yen is one of the better known dissidents who escaped from the mainland after Tienanmen. He is best known for writing a lengthy history of the cultural revolution, in which he detailed communist abuses of the system. He is currently serving as the first chairman of the Paris-based Federation for Democracy in China.

Yen is visiting Taiwan in conjunction with the arrival of the Goddess of Democracy ship, which is slated for a port call to resupply before heading into international waters to broadcast pro-democracy programs into mainland China.

Yen told reporters that there can be no democracy in China until the communists allow a multi-party system to emerge. The slogan of the federation highlights the dissidents' push for an opposition party on the mainland.

Yen's advice was not limited to what foreign governments should or should not do vis-a-vis Peking. He also chastised Taiwan industrialists for investing in factories on the mainland. "This plays into and strengthens the hand of hardline Premier Li Peng, at a time when there are still hundreds of dissidents in jails," he said. Yen said he believes Taipei is moving too quickly to improve relations with the mainland.

As for his views on China's division, Yen offered the strategy of getting the outside world to accept a temporary Chinese federation until unification is more plausible. He said this was not tantamount to a "two China" policy, but rather a temporary recognition of the realities that exist today. He called the current situation a "transition period that will eventually lead to unification, if democracy is permitted to flower on the mainland."

When asked if he would board the Goddess of Democracy, Yen said he would if invited. The ship is manned by Frenchmen sponsored by the French magazine ACTUEL and the Federation for Democracy in China. The Goddess is headed for a showdown with Peking. The Chinese Communists have threatened harm to the ship if she tries to carry out the pro-democracy broadcasts to the mainland.

Yen said his group is doing all it can to revive the pro-democracy inside mainland China from without.

Hong Kong

Governor Urges U.S. To Keep PRC MFN Status

HK1205011790 Hong Kong SOUTH CHINA
MORNING POST in English 12 May 90 p 3

[Text] The Governor, Sir David Wilson, has written to the United States Congress asking it not to strip China of its most favoured nation (MFN) trading status.

Sir David, who is due to visit the U.S. later this month, told congressmen that Hong Kong's economy would be jeopardised if China lost its MFN status.

A U.S. official yesterday said the governor made the appeal earlier this week in a letter addressed to both houses of Congress.

"It was purely an appeal on a personal level, stressing how Hong Kong would be effected," he said.

Sir David's move followed a similar call from the American Chamber of Commerce in Hong Kong.

Chamber president, Mr John Kamm, told the U.S. Congress in a letter last month that any proposal to strip China of the trading status would also hurt Hong Kong.

Hong Kong stood to lose more than \$70 billion a year if the U.S. Congress voted for the proposal, he said.

"More than 20,000 jobs would be lost directly, and many more indirectly," Mr Kamm said.

The U.S. Congress is to decide in early June whether China should continue to enjoy the favoured trading status, which offers the lowest possible tariffs on imports to the U.S.

Meanwhile, the Secretary for Trade and Industry, Mr John Chan Cho-chak, said yesterday that he was fairly optimistic that China could preserve its trading status with the U.S.

"The adverse effects on Hong Kong's port facilities and investors' confidence are difficult to gauge," he said. "But I am quite hopeful that the U.S. will continue to grant China a most favoured nation status".

Activists Hold Protest at XINHUA Headquarters

HK1405020790 Hong Kong SOUTH CHINA
MORNING POST in English 14 May 90 p 2

[Text] Police were involved in a minor confrontation yesterday with activists calling for the release of prisoners linked with last year's prodemocracy movement in China outside the NEW CHINA NEWS AGENCY [NCNA].

Holding placards and posters calling for the release of people such as student leader Wang Dan and Hong Kong student Yao Yong-zhan, the protesters arrived at the NCNA office in Wan Chai shortly after 3 pm.

Group spokesman, Mr Mok Chiu-yue, said China's release last week of 211 prisoners involved in last year's pro-democracy demonstrations was inadequate.

"There are still a lot of dissidents who had been secretly arrested, executed and some who had lost contacts with the outside world," he said.

Some protesters began to stick posters on the walls of the NCNA building, but they were stopped by police, who said it was illegal.

A woman protester attempted to snatch the camera of a police officer who was recording the incident.

The protesters were particularly furious when they were asked by police for their names and identity card numbers.

They demanded to know why their names had to be taken down and one policeman warned one of the protesters "not to speak so loud in public."

After an explanation from a police inspector, the protesters later took down the posters and left.

Meanwhile, more than 200 students yesterday took part in a hunger strike organised by the Hong Kong Federation of Students.

Wearing yellow ribbons around their heads, the students sang pro-democracy songs and gave speeches at the cenotaph in Central.

Earlier, a group of 40 Chinese University of Hong Kong Students and 11 concern groups held a pro-democracy movement forum at the cenotaph.

Macao

PRC Suggests PLA Presence After Reversion

HK1205020590 Hong Kong HONGKONG STANDARD
in English 12 May 90 p 3

[Text] China has suggested for the first time it may station troops in Macao after the Portuguese enclave returns to mainland rule in 1999.

The suggestion was made at a meeting in China of drafters of Macao's post-1997 constitution, according to news agency reports quoting reliable sources.

Macao drafter Edmund Ho said the Chinese drafters had raised the prospect of stationing People's Liberation Army troops in Macao.

Mr Ho said such a move would not threaten the rights and freedoms of Macao residents.

But another drafter, Chiu Iu-nang, said China had not raised the issue.

Further on PLA Presence

HK1105105290 Hong Kong AFP in English
1049 GMT 11 May 90

[By Joao Guedes]

[Text] Macao, May 11 (AFP)—China has suggested for the first time that it intends to station troops in Macao after the Portuguese colony returns to Beijing's control in 1999, informed sources here said Friday.

A meeting that ended Thursday in China between drafters of Macao's post-1999 mini-constitution, revealed a lack of consensus on all major issues between the Chinese and Macao sides, said the sources close to the Macao drafters.

The two sides opened the latest round of talks May 3 in the eastern Chinese city of Hangzhou. They met to discuss drafting the so-called Basic Law, which will eventually govern the territory.

During the talks, the Chinese drafters raised the prospect of stationing People's Liberation Army (PLA) troops in Macao after the handover date, according to Edmund Ho, one of the drafters for the Macao side.

A source in the colonial government here said he was surprised by the news, saying that until now the question had not been raised.

Beijing has said placing troops in the neighboring British colony of Hong Kong, which is to be transferred to China in 1997, is its own affair though no decision has yet been made.

The mostly-ethnic Chinese residents of Macao and Hong Kong were badly shaken by the PLA's bloody crackdown on the pro-democracy movement in Beijing last June, a movement which they had strongly supported.

But Mr. Ho said that stationing PLA soldiers in Macao would not threaten the rights and freedoms of Macao residents, which he said would be guaranteed in the Basic Law.

The Portuguese colonial army left Macao in 1975, leaving their barracks to the Macao security forces.

The sources said another major bone of contention at the talks in Hangzhou, near Shanghai, was the nationality question.

Lu Ping, head of the Chinese side, announced shortly after the talks started that top positions in post-1999 Macao, including chief executive and president of the legislative assembly, could only be filled by Chinese nationals.

Carlos Assumpcao, currently assembly president, voiced the opposition of all Macao drafters to Mr. Lu's statement, saying it was in total breach of the spirit and letter of the Sino-Portuguese Joint Declaration.

Beijing and Lisbon signed the declaration in April 1987. It stipulates that Macao will be granted a high degree of autonomy for 50 years after it is handed back to China on December 20, 1999.

The vast majority of Macao's 500,000 people are ethnic Chinese. But about 20 per cent hold Portuguese passports and within that number are many cadres prepared to assume the territory's administrative posts after 1999.

Lisbon continues to grant Portuguese citizenship rights to the people of Macao while China refuses to recognize dual nationality.

Mr. Lu criticized the Macao Government's handling of the legalization process of 45,053 illegal Chinese immigrants who were registered during a mammoth census operation carried out by Macao police on March 27.

The PLA and nationality issue are likely to be hotly debated in talks beginning May 17 in Beijing of the Sino-Portuguese Joint Liaison Group.

Dissenting voices were also heard in Hangzhou on the question of whether the Portuguese Constitution should be integrated into the future Basic Law or only be used as a reference, the sources said.

Macao delegates want certain parts of the Constitution incorporated into the Basic Law, particularly those governing human rights. China does not.

The two sides also clashed over the preservation of Macao's centuries-old heritage.

Mr. Lu reiterated that China wants all colonial symbols and architecture erased from Macao. There are many monuments here honoring Macanese navigators and heroes, as well as historic buildings protected under special legislation.

According to well-informed sources, monuments are to be dismantled and ferried to Portugal.

The government has been awarding protected building concessions to the private sector in order to avoid their demolition by China in the event that the current laws are revoked, the same sources said.

Such concessions have already come under veiled criticism from Zhou Ding, director of the local branch of the New China News Agency, Beijing's de facto consulate here.

Meanwhile, the three-day Joint Liaison Group meeting in Beijing next week is also expected to include talks on recent unilateral appointments by the government here.

Joao de Deus Ramos, a career diplomat currently serving on the Portuguese side of the Joint Liaison Group, was recently named secretary for transition affairs.

His appointment to the new portfolio was announced at the same time as Brigadier Tome Falcao was appointed to the senior post of secretariat for security. Brig. Falcao will take up the duties of the commander of Macao security forces, a post that is soon to be scrapped.

Brig. Falcao's new appointment was seen as a step towards the total withdrawal of some 100 Portuguese Army officers who are still in secondment in Macao in senior commanding posts.

The measures were also seen as a way to refute any argument that might justify the stationing of Chinese troops in Macao.

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